FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-94-037
Thursday
24 February 1994

Daily Report
East Asia

FBIS-EAS-94-037 CONTENTS *24 February 1994*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Official Denies Bentsen Hinted at 110-Yen Rate *[KYODO]* 1
Appeal Planned to G-7 on Exchange Rate Movement *[KYODO]* 1
  To 'Brief' Nations on Tax Issue *[KYODO]* 1
Takemura on Plan for New Market-Opening Package *[KYODO]* 2
'Top-Ranking Official' Opposes Trade Targets *[KYODO]* 2
'Drastic Action' Said Needed To Satisfy U.S. *[KYODO]* 2
Court Orders Award to Air Base Noise Plaintiffs *[KYODO]* 3
PRC's Zhu Rongji Continues Visit Activities 3
  Seeks Help With GATT Membership *[KYODO]* 3
  Discusses DPRK Nuclear Issue *[KYODO]* 3
  Defends Economic Reform Program *[KYODO]* 4
  Seeks Help With Bank of China *[KYODO]* 5
  Meets With Foreign Minister Hata *[KYODO]* 5
Hitachi To Open Joint Venture in Shanghai *[KYODO]* 5
Nine SDP Join Korea-Japan Parliamentarian Union *[YONHAP]* 6
ROK Envoy Urges Cooperation on DPRK Issue *[KYODO]* 6
'Broad' Accord Reached on New Liberal Party *[KYODO]* 6
  Yokomichi Holds 'Secret' Talks *[KYODO]* 7
SDP, DSP Reiterate Opposition to Reshuffle *[KYODO]* 7
Coalition, LDP Agree on Reform Amendment *[KYODO]* 8
MITI Announces Business Promotion Program *[KYODO]* 8
Hitachi Develops 'World's Smallest Scale' *[KYODO]* 8

North Korea

Commentary Says Inspection Depends on U.S. *[KCNA]* 9
Daily Warns Against Deploying Patriots in South *[KCNA]* 9
KCNA Reports Anti-U.S. Protests in South 10
U.S. 'Electronic Reconnaissance' Reported *[KCNA]* 10
Remarks by Japan's Hata on Nuclear Issue Decried *[KCNA]* 10
Remarks by Japan's Ozawa on DPRK Criticized *[KCNA]* 10
Further on Visit by PRC Party Delegation 11
  Kim Il-song Meets Delegation Head *[KCNA]* 11
  Kim Chong-il Receives Gift *[KCNA]* 11
PRC Ambassador Marks Aviation Accord Anniversary *[KCNA]* 11
Kim Il-song Meets With Outgoing Cuban Ambassador *[KCNA]* 11
President Kim Il-song Greets Amir of Kuwait *[KCNA]* 11
Prime Minister Greets Malian Counterpart *[KCNA]* 12
WPK Official Meets Head of Italian Institute *[KCNA]* 12
Canadian Communist Party Delegation Departs *[KCNA]* 12
WPK Sends Message to Costa Rican Party Chairman *[KCNA]* 12
Philippine Foreign Minister Opposes UN Sanctions *[KCNA]* 12
Envoy to Kazakhstan Bids Farewell to Party Chief *[Pyongyang Radio]* 12
Assembly Group Sends Condolences to Indonesia *[KCNA]* 12
Korean Solidarity Group Organized in Jordan *[KCNA]* 13
Papers Mark 24th National Day of Guyana *[KCNA]* 13
Foreign Newspapers Cited on Nuclear Issue *[KCNA]* 13
Foreign Parties Support 31 Jan Statement *[KCNA]* 14

- Foreign Parties Support Pyongyang Declaration *[KCNA]* 14
- Foreign Leaders Support Korean 'Just Cause' *[KCNA]* 14
- Kim Chong-il's 'Famous' Works Published Abroad *[KCNA]* 15
- Kim Chong-il Receives More Birthday Greetings 15
  - From Foreign Party Leaders *[KCNA]* 15
  - Seminars Held Abroad *[KCNA]* 15
  - Zimbabwe Sends Gift *[KCNA]* 16
- Foreign Groups Give Plants to Kim Chong-il *[KCNA]* 16
- Kim Chong-il Sends Birthday Table to Woman *[KCNA]* 16
- Kim Chong-il Sends Thanks to Various Work Units *[KCNA]* 16
- Kim Chong-il's Efforts for Soldiers Outlined *[KCNA]* 17
- Events Mark 30th Anniversary of Rural Theses 17
  - Symposium Held in Pyongyang *[KCNA]* 17
  - KCNA Notes 'Diverse Activities' 18
  - NODONG SINMUN Lauds Theses *[KCNA]* 18
  - Postage Stamps Mark Anniversary *[KCNA]* 19
  - Revolutionary Monument Built *[KCNA]* 19
  - Art Exhibition Opens *[KCNA]* 19
- Yang Hyong-sop Speaks on Chuche Anniversary *[Pyongyang Radio]* 20
- Kim Chong-il's Brilliance as Theorist Extolled *[Pyongyang Radio]* 26
- Demand for Articles Made in Sinuiju Said Rising *[KCNA]* 28
- 'Joyful Days' of 'Happy' Farmers Described *[KCNA]* 28
- Number of Agro-Technicians Said Increasing *[KCNA]* 29

South Korea

- U.S.-DPRK 'Full Agreement' Not Reached *[YONHAP]* 29
- DPRK Reportedly To Allow IAEA Observers 1 Mar *[Seoul Radio]* 30
- IAEA Warns DPRK To Issue Visas to Team *[YONHAP]* 30
- Seoul Said To Offer Contact if DPRK Issues Visas *[YONHAP]* 31
- NYT Interviews President on Nuclear Issue *[YONHAP]* 31
- Commentary Cautious of U.S. Strategy on DPRK *[SEOUL SINMUN 22 Feb]* 32
- Government May Relax Business Travel To North *[YONHAP]* 33
- Meeting To Guarantee Rights of Returnees Held *[YONHAP]* 33
- Institute Reports Prospects for Changes in North *[CHUNGANG ILBO 24 Feb]* 34
- DPRK Said To Deny Reports on Loggers in Siberia *[YONHAP]* 34
- Government To Propose Spreading Nuclear Technology *[THE KOREA HERALD 24 Feb]* 35
- Prime Minister on Adherence to GATT Accord *[YONHAP]* 35
- Market Opening Schedule To Reflect Japan, EU *[THE KOREA HERALD 24 Feb]* 35
- Institute Claims Farm Products Safer Than Imports *[YONHAP]* 36
- Agreement With PRC on Preventing Double Taxation *[YONHAP]* 36
- Group To Set Up International School in China *[YONHAP]* 36
- Telecommunications Pact Signed With Mexico *[YONHAP]* 37
- Firm To Advance Into Russian Telecommunications *[YONHAP]* 37
- Governing Bodies Found To Misappropriate Funds *[YONHAP]* 37
- 'Hanahoe' Generals Reportedly Asked 'To Leave' *[YONHAP]* 37
- Companies Vie for Stake in Mobile Phone Project 38
  - FKI Chief Delays PRC Visit *[YONHAP]* 38
  - FKI Chief Tries Mediation *[YONHAP]* 38
- Government, Businesses To Develop Semiconductors *[THE KOREA TIMES 24 Feb]* 38

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

- Police Chief Admits Difficulty in ASIS Probe *[Kuala Lumpur International]* 40
- Front To Be Sabah 'Responsbile Opposition' *[NEW STRAITS TIMES 22 Feb]* 40

Singapore

Finance Minister Announces 1994 Budget *[Singapore Radio]* 41
Joint Naval Exercise With Indian Navy Begins *[THE STRAITS TIMES 24 Feb]* 42

Cambodia

Chea Sim on Sihanouk Return, Force Against KR *[Phnom Penh Radio]* 42
Hun Sen on Pressure on KR; Seeks Dutch Aid *[Phnom Penh Radio]* 43
'Khmer Angkor Resistance Movement' Members Arrested *[REAKSMEI KAMPUCHEA 23 Feb]* 43
Information Official on Anlung Veng 'Mop Up' *[Phnom Penh Radio]* 44
Khmer Rouge Attacks in Kampot, Battambang *[Radio VGNUFC]* 44

Philippines

President Repeals Oil Levy, Price Increase *[Quezon City TV]* 44
ABB To Renew Attacks if New Taxes Imposed *[PHILIPPINE DAILY INQUIRER 20 Feb]* 46
Ramos Signs Memorandum on ASEAN Growth Area *[Quezon City Radio]* 46

Thailand

Chuan Seeks Legal Action Against Lao Resistance *[Bangkok TV]* 47
Army Chief Comments on Vang Pao, Arms Barter *[Bangkok Radio]* 47
Debate Over Arms Barter Policy Continues 48
    Navy Chief Welcomes Policy *[BANGKOK POST 24 Feb]* 48
    Columnist Views Military Problems *[THAI RAT 24 Feb]* 48
    Editorial on Lack of Coordination *[MATICHON 24 Feb]* 49
Thai-Lao Committee To Rule on Bridge Disputes *[THE NATION 24 Feb]* 49
Tour Agency Cites Unfair Treatment in Laos *[PHUCHATKAN 23 Feb]* 49
NSC Bans SRV Culture Show in Northeast *[SIAM RAT 24 Feb]* 50
Ambassador: No SLORC Talks on Students *[THE NATION 24 Feb]* 50
Cabinet Approves Plan for Radar Station *[BANGKOK POST 23 Feb]* 50
Official on Rice Talks With Philippines *[KRUNGTHEP THURAKIT 23 Feb]* 51

Vietnam

Talks Resume To Settle U.S. Financial Claims *[Hanoi International]* 51
Defendants Convicted, Sentenced in Trial *[Hanoi Radio]* 51
National Assembly Delegation's PRC Activities *[VNA]* 52
VNA Reports ASEAN Secretary General's Activities 53
Essay Denounces 'Peaceful Evolution' Strategy *[Hanoi Radio]* 53
Phan Van Khai Assesses Banking Operations *[Hanoi Radio]* 55
Phan Van Khai Satisfied With Japanese Aid *[VNA]* 56
Vo Van Kiet Receives Outgoing Indonesian Envoy *[VNA]* 56
Foreign Embassies To Issue Visas Directly *[VNA]* 56
Growth in Household Economic Sector Viewed *[VNA]* 56

AUSTRALASIA

Australia

Evans: Russian Spying Not Considered 'Crisis' *[Melbourne International]* 58
    MP on Expelled Russians *[Melbourne International]* 58

Japan

Official Denies Bentsen Hinted at 110-Yen Rate

OW2402062294 Tokyo KYODO in English 0607 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—A report of U.S. willingness to let the dollar rise to 110 yen is "completely misleading and warped," a senior Finance Ministry official said Thursday [24 February].

Kosuke Nakahira, vice finance minister for international affairs, told a hastily called press conference that media reports' "reference to specific yen-rate levels are not a fact." He was referring to a report Thursday by the NIHON KEIZAI SHIMBUN about a discussion between U.S. Treasury Secretary Lloyd Bentsen and Japanese Prime Minister Morihiro Hosokawa at their meeting last month in Tokyo.

The major economic daily reported Bentsen as indicating the United States is willing to allow the dollar to rise to 110 yen. Nakahira said the report's "comments on exchange rates are completely misleading and warped," but he declined to disclose what Bentsen and Hosokawa actually discussed, saying, "they both agreed not to comment."

Asked if the yen's fall against the dollar is viewed as undesirable before the meeting of Group of Seven (G-7) finance ministers and central bankers Saturday in Germany, Nakahira said, "that's absolutely not in my mind."

Nakahira said he wants to scotch "as soon as possible rumors that do not reflect the facts."

Currency dealings are now conducted 24 hours a day, he noted, when asked about the timing of the press conference during Tokyo trading hours.

Nakahira also rejected suggestions of pressure from the United States, saying, "we are in close contact every day."

He also said he wants to make it clear that monetary authorities do not "guide or tolerate exchange rates."

Appeal Planned to G-7 on Exchange Rate Movement

OW2302101494 Tokyo KYODO in English 0955 GMT 23 Feb 94

[Text] Tokyo, Feb. 23 KYODO—Finance Minister Hirohisa Fujii said Wednesday [23 February] he would appeal to his Group of Seven (G-7) partners to help avoid volatile exchange rate movements like the yen's recent advance against the dollar. "Rapid swings of exchange rates are a minus not only for Japan but also for the global economy, and I will explain this at the G-7 meeting," Fujii told the House of Representatives' Budget Committee.

Finance ministers and central bankers from the G-7 industrial nations are to meet in Frankfurt on Saturday.

Asked by an opposition lawmaker about a planned income tax cut for fiscal 1994, Fujii indicated that an income tax cut will be carried out in the following years as well. "It seems that the income tax cut has been misunderstood as one for a single year only," Fujii said.

To 'Brief' Nations on Tax Issue

OW2402141394 Tokyo KYODO in English 1223 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Japan will seek support for a stable yen and its economic measures at a Group of Seven (G-7) meeting in Germany this weekend, an international financial source said Thursday [24 February].

Finance ministers and central bankers of the G-7 nations will gather on Saturday in Kronberg, the outskirts of Frankfurt, to reaffirm cooperation in macroeconomic measures for global growth, stable currency rates and aid to Russia, the source said. The G-7 nations are Britain, Canada, France, Germany, Italy, Japan and the United States.

On the exchange rates, Japan will explain that the yen's sharp rise since early last year has "poured water" on signs of economic recovery, he said. Since then, Japan has launched a spate of pump-priming measures, including the latest record 15.25 trillion yen package, despite the tough financial situation, the source noted.

Japan will stress the plan's inclusion of tax cuts worth 6 trillion yen to stimulate consumption and deregulatory actions primarily to facilitate land-market liquidity, the source said. He said such steps were taken while continuing to boost public works and housing-related loans, sectors that remain strong.

Japan will brief other nations particularly on the tax issue to win support, the source said, citing U.S. criticism over the effects of a single-year tax cut.

U.S. officials have said such cuts are not enough to prop up the economy and reduce trade imbalance. They were disappointed with the scrapping of Prime Minister Morihiro Hosokawa's original plan.

It called for a permanent 6 trillion yen tax cut and an offsetting 7 percent "welfare tax" in three years to replace the 3 percent consumption tax. The U.S. side had pictured tax cuts worth 18 trillion yen in three years.

The source emphasized that Japan's ruling coalition leaders agreed to conduct a full-fledged tax reform by year's end, an accord that won confirmation at a cabinet meeting.

He noted that the G-7 ministers and central bankers are unlikely to issue a joint statement on macroeconomic policies and currency rates, but there are chances for the aid to Russia. Discussions on macroeconomic policies and exchange rates will be limited to the morning session of the one-day meeting that kicks off at around 11 A.M., he said.

With each nation presenting its economic measures, there will not be much to discuss, he said, indicating pressure on a single nation is unlikely.

The ministers and central bankers will focus on Russian aid in the afternoon session and Russian counterparts will join for about an hour before the meeting ends at around 5 P.M., the source said. The G-7 nations want to directly confirm economic reforms since Russian President Boris Yeltsin formed a new cabinet in the wake of elections last December, he said.

According to latest information, the source said the new cabinet intends to inherit and continue reforms led by inflation-curbing economic policies that are the key condition for multilateral aid from G-7 nations.

Large chunks of aid through the International Monetary Fund and the World Bank have not been implemented due to Russia's political and economic uncertainties.

The source said the aid package decided at a G-7 meeting of finance and foreign ministers last April in Tokyo and upgraded in a Tokyo summit last July is unlikely to be increased or changed.

Confirming that Russian policies are in line with the aid conditions will be the major issue, he noted.

Despite his indication that the aid will be the major topic, global attention is apparently fixed on currency and trade issues between Japan and the U.S.

Bilateral trade disputes have escalated since Japan flatly rejected a U.S. demand for "numerical targets" at a meeting between Prime Minister Morihiro Hosokawa and President Bill Clinton in Washington on February 11. After trade talks failed, the yen surged more than 6 yen against the dollar on speculation over the U.S. tolerating a stronger yen.

Japan and the U.S. are now in a "cooling off" period and the G-7 meeting will be the first top-level one since the summit. Japanese officials said a possible meeting between Finance Minister Hirohisa Fujii and U.S. Treasury Secretary Lloyd Bentsen has not been scheduled.

Takemura on Plan for New Market-Opening Package

OW2402034894 Tokyo KYODO in English 0328 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—The government hopes to swiftly work out a fresh package of measures to open Japan's markets more to foreign competition, Chief Cabinet Secretary Masayoshi Takemura said Thursday [24 February]. But the top government spokesman said a meeting of cabinet ministers to be held Friday will not reach any conclusion on specific market-opening measures.

"The cabinet-level meeting will be held to try to map out a plan as early as possible," Takemura told a news conference. The meeting, bringing together nine ministers, including the foreign, finance and international trade ministers, will take place after a regular cabinet meeting Friday morning, he said.

It will aim to formulate a program to speed up deregulation, strengthen import and investment promotion steps, revamp competition policy and improve government procurement processes.

Last week, Prime Minister Morihiro Hosokawa and subcabinet-level officials who represented Japan in trade negotiations with the U.S. agreed to map out a four-pronged scheme as soon as possible. The move is intended to stave off the trade dispute with the U.S., which has been increasing pressure on Japan to whittle down its lopsided trade surplus since the collapse of talks on a bilateral trade framework on February 11.

Meanwhile, Takemura indicated Japan will consider an extension of planned tax cuts beyond this year after implementing a sweeping tax system reform.

Under the original plan, the tax cut period is limited to only this year. This has sparked U.S. criticism that the tax cut is far from sufficient to stimulate the languishing Japanese economy.

'Top-Ranking Official' Opposes Trade Targets

OW2402112894 Tokyo KYODO in English 1117 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—A top-ranking official of the Foreign Ministry said Thursday [24 February] he is opposed to setting any numerical target to reduce Japan's huge trade surplus.

The official, speaking on condition of anonymity, argued there could be no figure (for such a target) that Japan could attain and satisfy the United States at the same time. His remarks were in response to a comment made in the business community to propose to the U.S. as an "objective criteria" a target of setting a ratio of Japan's current-account surplus to its gross domestic product (GDP).

"Even if there should be target figures which can satisfy the U.S. Administration, (setting such targets) would only serve as a stopgap measure. In a couple of years, (U.S.-Japan relations) would get worse," he said.

'Drastic Action' Said Needed To Satisfy U.S.

OW2402130194 Tokyo KYODO in English 1237 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Japan must take drastic action to improve its strained economic relations with the United States, a top Trade Ministry official said Thursday [24 February]. The official at the Ministry of International Trade and Industry (MITI), speaking on condition of anonymity, said some Japanese officials do not understand the seriousness of U.S. discontent over Japan's failure to meet Washington's demands.

He emphasized Japan should take strong measures to reduce its huge trade surplus by stimulating the economy and opening its auto market.

The official said the yen is staying where it is against the U.S. dollar on the foreign exchange market, only because of the Bank of Japan's intervention to support the dollar. He said the yen could rise sharply if the central bank stopped its selling of the yen.

Court Orders Award to Air Base Noise Plaintiffs

OW2402050094 Tokyo KYODO in English 0420 GMT 24 Feb 94

[Text] Naha, Feb. 24 KYODO—The Okinawa branch of the Naha District Court on Thursday [24 February] ordered the state to pay a total of 807.45 million yen in compensation to 768 residents around the U.S. Kadena Air Base for noise pollution caused by aircraft using the base. Thursday's decision, however, rejected demands for a halt to night flights at the base in line with Supreme Court decisions in February last year involving Yokota Air Base in Tokyo and Atsugi Naval Air Facility in Kanagawa Prefecture.

A total of 907 residents had demanded a halt to flights to and from the Kadena base between 7 P.M. and 7 A.M., 1.15 million yen each in damages for noise-related suffering and compensation for future annoyance until a night flight ban is realized.

Judge Hiroshi Segi ruled that the noise pollution at the base had "exceeded the level of tolerance" of the residents. Segi said the noise was detrimental to the residents' mental health because of disruptions to their sleep and feelings of discomfort caused by it.

In rejecting the call for a ban on night flights, however, he said the actions of the U.S. military do not fall within the dominion of the Japanese state.

Regarding the public nature of the base as argued by the defending lawyers, Segi said that as an important facility for the defense of the nation, the base could be recognized in a general sense as public in nature. He added, however, that the argument cannot be considered seriously in the decision on the tolerance level of the noise.

Defense lawyers had argued that the noise levels were tolerable given the public nature of the base.

Lawyers for the residents had argued over 55 hearings that the noise had led to headaches, hearing difficulties and other health problems among the residents and stressed that it was a violation of the residents personal rights and right to peaceful existence.

Kadena Air Base is under the control of the 18th Tactical Fighter Wing and is considered a key base of the U.S. Air Force in East Asia.

PRC's Zhu Rongji Continues Visit Activities

Seeks Help With GATT Membership

OW2402124194 Tokyo KYODO in English 1226 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—China's Vice Premier Zhu Rongji sought Japan's support on Thursday [24 February] for its attempt to win membership of the General Agreement on Tariffs and Trade (GATT), officials said. Zhu made the request in a meeting with Yohei Kono, president of the opposition Liberal Democratic Party (LDP).

Kono replied that the LDP will actively support China's bid.

Zhu also asked for the LDP's support in Japan's expected provision of a fourth yen loan to China starting in fiscal 1996.

Zhu, currently on a nine-day visit to Japan which started Wednesday, also met three former prime ministers, Toshiki Kaifu, Noboru Takeshita and Kiichi Miyazawa.

Miyazawa, noting the need of stepping up Japan's support of the Chinese economy, expressed concern over China's potential to become a military superpower, the officials said.

"If China becomes economically strong, it will be also militarily strong. Japan has a policy of not becoming a military superpower, so I also want China not to be one," Miyazawa was quoted as saying.

Zhu, calling Miyazawa's concern "groundless," replied that "China will never seek hegemony."

Discusses DPRK Nuclear Issue

OW2402121394 Tokyo KYODO in English 1135 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Japan and China agreed Thursday that Japanese Prime Minister Morihiro Hosokawa will visit China between March 19 and 21 for talks with Chinese leaders, Foreign Ministry officials said. Hosokawa and Chinese Vice Premier Zhu Rongji reached the accord in a meeting at the prime minister's official residence, the officials said.

Details of Hosokawa's itinerary will be further worked out by the two governments, they said.

Zhu conveyed messages from Chinese President and Communist Party Leader Jiang Zemin and Premier Li Peng saying they are looking forward to meeting Hosokawa in Beijing in March, the officials said.

Hosokawa replied that he looks forward to the trip, they said.

During the 50-minute meeting, Hosokawa called for China's continued role in persuading North Korea to accept international inspections of its suspected nuclear weapons development sites, the officials said.

Hosokawa told Zhu that Pyongyang should further accept special inspections by the International Atomic Energy Agency (IAEA) and implement an accord with South Korea to denuclearize the Korean peninsula.

Zhu, currently on a nine-day visit to Japan starting Wednesday, was quoted as saying there have been developments recently concerning North Korea's suspected nuclear problem and that China intends to extend efforts within its capacity.

Hosokawa gave high marks to China's efforts to promote reform and open-door policies and added Japan will continue to support such efforts, the officials said.

Zhu predicted that mutual economic interdependence between China and Japan will further strengthen, noting that trade between the two amounted to 39 billion dollars last year, up 54 percent from the previous year.

The vice premier also noted that Japan is now China's top trading partner exceeding Hong Kong, while China is Japan's second biggest trading partner. Zhu was quoted as saying the two nations should further promote economic exchanges.

Hosokawa voiced support for China's bid to become a member of the General Agreement on Tariffs and Trade (GATT), the officials said.

Zhu told Hosokawa that China has been making various efforts to become a GATT member, lowering duties and improving transparency of its legislation. He handed Premier Li's letter to Hosokawa which asked for Tokyo's continued cooperation in China's bid to enter the world trade body.

Foreign Ministry officials said Beijing has apparently been sending similar letters to other major countries as well.

Hosokawa told the Chinese that Japan is interested in China's environmental preservation and military expenses. The prime minister cited Japanese guidelines in extending official development assistance (ODA) which takes note of such fields.

Zhu told Hosokawa that China has been making various efforts to preserve the environment including beefing up legislation, they said.

The vice premier noted China's military expenses in 1993 were 43.7 million yuan (about 655 million yen), about 1 percent of its gross national product (GNP). He said the military expenses are mostly used for defensive purposes and that the expenditure is limited to the minimum necessary to defend its population of 1.2 billion.

Zhu told Hosokawa he does not think it appropriate to link China's human rights record to the "most-favored-nation" trade status in the United States.

Defends Economic Reform Program

OW2402084394 Tokyo KYODO in English 0829 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Vice Premier Zhu Rongji defended China's economic modernization program Thursday [24 February], saying reforms are "without major problems" despite some symptoms of overheating.

While acknowledging foreign concerns about an overheating of the Chinese economy given its breath-taking double-digit growth, Zhu said he does not think the 13 percent growth of the past two years is too rapid, although prolonging such growth could prove difficult.

Zhu, seen as the main architect of China's ambitious economic reforms, said macroeconomic measures introduced last summer to rein in money supply and restore order to an inflation-wracked economy have stabilized prices and created an environment for stable growth. "We haven't seen big economic ups and downs," Zhu said, dismissing allegations that macroeconomic controls are failing.

Addressing Japanese business leaders at a Tokyo hotel, Zhu denounced foreign press reports of growing social unrest due to soaring prices as distorting reality. Although inflation in big cities has reached 18.6 percent, the urban population actually enjoyed better living standards as salaries increased by some 25 percent last year, he said.

Beijing is well aware of inflationary risks but does not consider the current level of 13.4 percent as cause for concern, Zhu said, adding the increase in money supply has been successfully stabilized at about 20 percent.

The implementation of a comprehensive economic reform program, including the introduction of new taxes and a single, market-oriented foreign exchange rate system since January 1, has been "going smoothly and without creating major problems."

Beijing will do away with its special foreign currency swap centers from April 1, from which time foreign exchange will be handled solely through banks, said Zhu, who also heads China's Central Bank.

The planned transformation of China's banks into commercial banks will have to go hand in hand with the restructuring of unprofitable state enterprises which have depended on cheap loans while adjusting to market transition. Zhu predicted "big progress," however, in the privatization of the state-run sector this year.

Beijing hopes that a total overhaul of the tax system will help gradually increase the central government's revenue share from the present 30 percent to about 60 percent by the year 2000.

Zhu dismissed as "groundless" rumors that foreign companies will soon be listed on the Shanghai stock exchange. Beijing is taking a very cautious stance toward the country's fledgling stock exchanges, closely monitoring Chinese firms to prevent an "economic bubble" like that which occurred in Japan.

Japan-China trade, which soared by 54 percent to 39 billion dollars last year, is nevertheless "still small," considering the potential of China's huge market, he said. Increased investment and trade with China could help Japan overcome its prolonged recession and boost the competitiveness of Japanese products, Zhu pointed out, adding he hopes trade relations between the two countries would "reach a new level."

Zhu arrived in Tokyo on Wednesday for a nine-day trip focusing on increasing economic ties. Besides visiting a number of prefectures to study Japan's economic and corporate structures, the vice premier will also meet present and former political leaders.

Seeks Help With Bank of China

OW2402023094 Tokyo KYODO in English 0202 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Chinese Vice Premier Zhu Rongji asked the Bank of Japan (BOJ) on Thursday [24 February] to continue cooperating to beef up the functions of the People's Bank of China, officials of the central bank said. Zhu, who arrived in Tokyo Wednesday for a nine-day visit to Japan, made the request during morning talks with BOJ Governor Yasushi Mieno at a Tokyo hotel.

The chief economic planner of China as head of the central bank briefed Mieno on Beijing's efforts to shift to a "socialist market economy," the officials said.

The officials did not reveal the details of the Mieno-Zhu talks, but Zhu is believed to have clarified his bank's policy of keeping a tight grip on credit, at least for the time being, to calm an overheating Chinese economy.

Mieno reportedly told Zhu the Japanese central bank will continue to support China's attempt to shift to a market-driven economy.

Meets With Foreign Minister Hata

OW2402144294 Tokyo KYODO in English 1423 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Foreign Minister Tsutomu Hata urged China to take "tangible measures" to clear obstacles in winning "most favored nation (MFN)" trade status by the United States, Foreign Ministry officials said Thursday. Hata told Vice Premier Zhu Rongji that although Sino-U.S. ties seem to have improved recently, he thinks there are still some problems concerning renewal of the MFN status.

As one of the "tangible measures" to be taken to ensure renewal of the MFN status, Hata implied that Beijing should improve its human rights record, the officials said.

China's MFN status, which must be extended every year under U.S. law, ends in June. Washington has linked further extension this year to a "significant overall improvement" in China's human rights record.

Zhu told Hata that relations between Beijing and Washington have made progress since U.S. President Bill Clinton and Chinese President Jiang Zemin met in Seattle in November, the officials said. The meeting between Hata and Zhu lasted about 50 minutes and was followed by a dinner, they said.

Also during the meeting, Hata urged China to submit as early as possible official lists of projects to be covered by Japan's yen loans so that Tokyo and Beijing could determine the projects, the officials said.

He was quoted as saying Japan places importance on protecting the environment when extending loans.

When Hata visited China in early January, Japan and China agreed to divide Japan's loan periods from five years to three-year and two-year periods beginning with fiscal 1996 starting April that year.

Beijing has sent unofficial lists to the Japanese Government of the projects to be handled under the yen loans but has yet to submit official lists, the officials said.

Hitachi To Open Joint Venture in Shanghai

OW2402095494 Tokyo KYODO in English 0928 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Hitachi Ltd. said Thursday [24 February] it will jointly establish an air conditioner manufacturing and sales venture in Shanghai in March.

Shanghai Hitachi Household Appliances Co., which will be capitalized at 2.1 billion yen, will start production in April.

The Hitachi group will hold 60 percent of equity shares and local firms the remainder.

The new firm plans to manufacture 80,000 air conditioners in the initial business year. Annual production capacity will be expanded to 250,000 units in the 1995 business year and 300,000 in 1996, Hitachi officials said.

Currently, only 2 to 5 percent of urban households own air conditioners. But the market has been increasing roughly 13 percent each year.

Japanese electric home appliance companies like Sharp Corp., Sanyo Electric Co. and Matsushita Electric Industrial Co. have already started up in China.

Nine SDP Join Korea-Japan Parliamentarian Union

SK2402030494 Seoul YONHAP in English 0237 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 (YONHAP)—Nine lawmakers from the Japanese Social Democratic Party [SDP], including former chairman Sadao Yamahana and current Policy Board Chairman Nobuyuki Sekiyama, have joined the South Korea-Japan Parliamentarians' Union, informed sources said on Wednesday.

The SDP had been hoping to join the union for a long time, but other members from the Liberal Democratic Party, Democratic Socialist Party and Komeito Party rejected it because the SDP attached importance to North Korea and refused to change its policy toward South Korea. The nine SDP lawmakers joined the union on a personal level and the SDP's membership on a party level is still not permitted.

Yamahana, who is now state minister in charge of political reform in the cabinet, visited South Korea last September for the first time as SDP chairman.

ROK Envoy Urges Cooperation on DPRK Issue

OW2402125494 Tokyo KYODO in English 1236 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—South Korean Ambassador to Japan Kong No-myong said Thursday [24 February] that Japan and South Korea share the view that suspicion over North Korea's nuclear intentions should be put to rest by dialogue, with cooperation from the United States and China.

Kong, in an interview with KYODO NEWS SERVICE, said South Korea and Japan should maintain close cooperation in seeing that North Korea accepts adequate international inspections of its nuclear facilities to ensure against development of nuclear weapons. He said settlement of the matter should be made a precondition for consideration of North Korea's participation in regional organizations and activities, such as the Tumen River Development Project near the North Korea-China border and the Asia-Pacific Economic Cooperation (APEC) forum.

Kong said Tokyo and Seoul still face unresolved issues, such as addressing the suffering of so-called comfort women, who said they were forced by the Japanese Imperial Army to provide sex to soldiers during World War II. But he said South Koreans were very touched last year by Prime Minister Morihiro Hosokawa's apologies for Japan's war conduct and its colonization of the Korean peninsula.

President Kim is scheduled to visit Japan in late March.

'Broad' Accord Reached on New Liberal Party

OW2402131694 Tokyo KYODO in English 1233 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Hokkaido Gov. Takahiro Yokomichi and labor leader Akira Yamagishi on Thursday [24 February] reached a broad agreement to aim at establishing a new liberal party in the future, officials said. In an hour-long meeting over lunch in Tokyo, Yokomichi and Yamagishi basically agreed on efforts to unite the Social Democratic Party [SDP], the Democratic Socialist Party [DSP] and Sakigake (Harbinger) into a democratic liberal party.

Yokomichi is widely regarded as one of the candidates to head the new party expected to be established some time before the next general election. Yokomichi is also considered a next-generation leader of the SDP, the largest among the seven parties forming the coalition government of Prime Minister Morihiro Hosokawa.

Yamagishi, as head of the 8 million-strong Rengo labor organization, reportedly played a key role in helping establish the coalition last year.

The coalition's two propelling groups, Shinseito (Japan Renewal Party) and the Buddhist-backed Komeito [Clean Government Party], have called for establishing a two-party system under the political reform legislation which introduces single-seat constituencies for House of Representatives general elections.

But the SDP, DSP and Sakigake, opposing the two-party system, have favored a "moderate multiparty system."

Hosokawa, head of the Japan New Party (JNP), at first voiced support for the multiparty system. But earlier this month he instructed top aides to consider uniting the seven coalition parties into one against the Liberal Democratic Party (LDP) in the next general election.

Meanwhile, earlier on Thursday, coalition sources said Yokomichi is set to return to the national stage as a leading member of the planned new party.

The governor of Hokkaido in northern Japan met with Satsuki Eda, head of the United Social Democratic Party (USDP) and a cabinet minister, on Wednesday night to discuss forming a new party that would involve a merger with the SDP, they said.

Yokomichi agreed in the meeting with Eda, director general of the Science and Technology Agency, to start preparations to form the new party with the SDP as its core, they said.

Yokomichi, a former SDP member of the House of Representatives, told Eda he is willing to run for a Diet seat in the next general election. He has already received a positive response to the idea of a new party from SDP Chairman Tomiichi Murayama and its secretary general, Wataru Kubo, the sources said.

Yokomichi met with Kubo and Chief Cabinet Secretary Masayoshi Takemura, leader of Sakigake (Harbinger), on February 12 and agreed to form a united parliamentary group among the SDP, DSP and Sakigake, they said. Yokomichi has been elected to the Diet four times since 1969 and elected as Hokkaido governor three times since 1983.

Yamagishi, speaking at a news conference at the Japan National Press Club, said Japan's political parties will be molded into three forces. Yamagishi, president of the Japanese Trade Union Confederation (Rengo), said the three will be the LDP, a new conservative party, and a new liberal party.

It is unlikely the seven coalition parties will merge into one due to different views on constitutional interpretation and Japan's international contributions, he said.

"The three polar groups will emerge in a transitional period to pave the way for the establishment of a two-party system," he said, adding this was the ideal goal for the future.

After returning to Sapporo, the prefectural capital of Hokkaido, Yokomichi told reporters, "There were no such talks about (setting up) Yokomichi New Party." But he did not deny that there has been an idea to form a new party with himself as an axis.

"People within and outside the SDP are thinking of forming the new party. It's not a matter for my comment," Yokomichi said.

Yokomichi Holds 'Secret' Talks

OW2402000294 Tokyo KYODO in English 2324 GMT 23 Feb 94

[Text] Tokyo, Feb. 24 KYODO—A popular provincial governor is set to return to the national stage as a leading member of a planned new liberal party, sources in the ruling coalition said Thursday [24 February]. Takahiro Yokomichi, governor of Hokkaido in northern Japan, held secret talks with a cabinet minister Wednesday night on forming a new party that would involve a merger with the largest party in the coalition government, they said.

Yokomichi agreed in the meeting with Science and Technology Agency Chief Satsuki Eda to start preparations to form the new party with the Social Democratic Party (SDP) as its core, they said. Yokomichi, a former SDP member of the House of Representatives, told Eda, leader of the United Social Democratic Party, at the meeting in Tokyo that he is willing to run for a Diet seat in the next general election, they said.

He had already received a positive response to the idea of a new party from SDP Chairman Tomiichi Murayama and its secretary general, Wataru Kubo, the sources said.

Yokomichi met with Kubo and Chief Cabinet Secretary Masayoshi Takemura, leader of Sakigake (Harbinger), on February 12 and agreed to form a unified parliamentary group among the SDP, Sakigake and the Democratic Socialist Party, they said. Yokomichi, dubbed the "prince of the SDP," was elected to the Diet four times from 1969 and has been elected Hokkaido governor three times since 1983.

Shinseito and Komeito want a two-party system in which the seven coalition parties would merge into a single party, but the SDP and Sakigake prefer a moderate multiparty system.

Meanwhile, the ASAHI SHIMBUN reported Thursday that the SDP, the DSP and Sakigake have agreed to start regular consultations to strengthen ties among them.

SDP, DSP Reiterate Opposition to Reshuffle

OW2402113794 Tokyo KYODO in English 1108 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Leaders of two out of seven ruling parties told Prime Minister Morihiro Hosokawa on Thursday [24 February] that an immediate cabinet reshuffle is not necessary, renewing their opposition to a shakeup expected to center on removing Chief Cabinet Secretary Masayoshi Takemura from his post, coalition sources said. In a meeting with Hosokawa, Social Democratic Party (SDP) Chairman Tomiichi Murayama and Democratic Socialist Party (DSP) Chairman Keigo Ouchi urged the premier to revoke his reshuffle plan, the officials said.

Hosokawa told the two that he may consider a reshuffle after the Diet passes both the third supplementary budget for fiscal 1993 and an amendment to a political reform package, they said. The Diet passed the extra budget Wednesday, while the amendment is expected to be approved in early March.

From the coalition's seven parties, the SDP, DSP and Takemura's Sakigake (Harbinger) have objected to the reshaping plan while Shinseito (Japan renewal party) and Komeito [Clean Government Party] support it.

Takemura differs with Hosokawa on the blueprint for Japan's future politics. Hosokawa has reportedly considered seeking a two-party system called for by Shinseito and Komeito, but Takemura has voiced objections.

Takemura also attended the meeting and suggested he has not changed his position opposing his removal, the sources said. He has reportedly rejected Hosokawa's request to go to another ministerial post.

Murayama told Hosokawa that an immediate reshuffle will give "an impression of a power struggle" within the coalition. Ouchi asked the premier not to cause a crack in the coalition by a shakeup, they said.

Hosokawa was quoted as saying he does not have a concrete idea on a reshuffle and will decide on the matter after hearing opinions of ruling party leaders.

On Tuesday, Hosokawa told reporters he asked his top aides to look into the possibility of uniting seven ruling parties against the Liberal Democratic Party in the next general election for the House of Representatives.

The prime minister told leaders of the SDP, DSP and Sakigake that the idea of alliance has nothing to do with the merger of ruling parties nor with a two-party system.

Coalition, LDP Agree on Reform Amendment

OW2402071194 Tokyo KYODO in English 0702 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—The ruling coalition parties and the opposition Liberal Democratic Party (LDP) agreed Thursday [24 February] on amendment of government-sponsored political reform bills, political sources said. The two sides are expected to jointly submit the amended package to the Diet on Monday and the bills are likely to be approved by the House of Representatives and the House of Councillors by Wednesday or later, they said.

The two camps struck a deal Thursday on the last remaining point of difference, when the coalition parties conceded to an LDP demand to discuss giving political parties the status of a juridical person, the sources said.

The LDP has called for the reform bills to state that political parties have the status of a juridical person, saying parties should be in a more responsible position because they will be subsidized by the government under the package.

The coalition has opposed this, maintaining that freedom of association under the Constitution may be violated if political parties are obliged to have a juridical person's status.

The two sides agreed to keep discussing the matter and conclude the debate by the time a bill on the locations of 300 single-seat constituencies for the lower house is presented to the Diet, the sources said. The bill is expected to be presented in the fall.

According to the package, 300 lower house will be elected through a single-seat constituency system and the remaining 200 through a proportional representation system. Currently, lower house members are elected from constituencies with two to six seats.

The package was passed January 29 at the last extraordinary session of the Diet, but some amendments and the date of enforcement were removed from the package to get it through.

Shortly before the passage, Prime Minister Morihiro Hosokawa and LDP President Yohei Kono agreed that the amendments and date of enforcement will be discussed at the current ordinary session.

MITI Announces Business Promotion Program

OW2402134794 Tokyo KYODO in English 1322 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—The Ministry of International Trade and Industry (MITI) announced on Thursday [24 February] a wide-ranging business-promotion program focusing on eight business sectors expected to expand vigorously in the coming years. The program, which will help promote information processing, telecommunications, housing-related and other up and coming industrial sectors, is designed to create jobs through deregulations and government support to help offset personnel cuts resulting from restructuring measures in the private sector, MITI officials said.

MITI plans to promote such business fields as housing, solar power development, multimedia-related data processing, recycling of industrial waste, medical and social welfare and new-wave distribution systems like discount stores.

The ministry also aims to enhance sports and leisure-related industries and development of new materials, MITI officials said.

As a common task for the eight fields, the ministry plans to review requirements for companies to be registered on the over-the-counter market to help upstarts raise funds more easily.

The ministry also plans to provide assistance to improve the infrastructure for research and development activities for such companies.

Among specific measures under the program, the government will purchase unused land with public funds for housing developments.

The ministry also calls for introducing computers and other information-processing equipment into education programs and for better protection of copyrights for multi-media software.

The ministry estimates that the measures envisaged in the program would help boost the domestic housing-related market to 33 trillion yen in the year 2000 from 28 trillion yen in 1992, and the telecommunications market to 61-70 trillion yen from 23 trillion yen, MITI officials said.

Hitachi Develops 'World's Smallest Scale'

OW2402135594 Tokyo KYODO in English 1316 GMT 24 Feb 94

[Text] Tokyo, Feb. 24 KYODO—Hitachi Ltd. has developed the world's smallest scale capable of submicron-level measurement, using mainly conductive single-crystal silicon, the company said Thursday [24 February]. It is the first scale capable of absolute submicron-level calibrations, a senior company researcher said.

The researcher, Kenichi Mizuishi, chief of Hitachi's Advanced Technology Development Department, said the microscale is graduated in 0.2 microns (a 5,000th of a millimeter), and may be used in measuring the accuracy of, for instance, scanning electron microscopes (SEMs). SEMs are used in measuring the line width—0.2 to 0.25 micron—of circuits of a 256-megabit memory chip believed to come into practical use at the end of the current century.

The National Research Laboratory of Meteorology has cooperated with Hitachi in the development of the microscale. The development will be reported by Hitachi at a conference of the Society of Optical Engineering to be held in the United States starting February 28, Mizuishi said.

He said the chemical etching and laser interferometer lithographic processes, used in the production of semiconductor memory chips, has been employed in the development of the microscale. Interferometer is an instrument that utilizes the interference of waves of light for precise determinations of distance or wavelength.

In the case of the microscale, if electron microscope electron beams collide with the scale, it hardly causes distortions in the scale, and the microscale is suited for quantity production, the researcher said. He said the company hopes to commercialize the microscale within a couple of years.

North Korea

Commentary Says Inspection Depends on U.S.

SK2402052194 Pyongyang KCNA in English 0502 GMT 24 Feb 94

["Destiny of Inspection Depends on the U.S."—KCNA headline]

[Text] Pyongyang, February 24 (KCNA)—Some people are now misrepresenting the agreement reached between the Democratic People's Republic of Korea and the International Atomic Energy Agency [IAEA] on the scope of inspection for the continuity of safeguards, and formalities of inspection. This is the topic of a NODONG SINMUN commentary today.

The inspection agreed on recently is not routine or ad hoc inspection under the safeguards agreement but, to all intends [as received] and purposes, an inspection for ensuring the continuity of safeguards, the analyst says, and continues:

The DPRK and the IAEA could reach an agreement because the United States and the IAEA voluntarily withdrew their demand that the DPRK accept routine and ad hoc inspections and promised to make an inspection only for the continuity of safeguards. As we have reached an agreement with the IAEA, we are willing to accept such an inspection and welcome an inspection group of the IAEA.

Whether the IAEA's inspection for the continuity of safeguards is made at an early date or not depends on the United States, not on the DPRK.

If the inspection is to be made soon, an agreement on follow-up steps for simultaneous actions must be reached as the DPRK and the United States promised.

Such steps must include an inspection of the DPRK for the continuity of safeguards and, at the same time, an official proclamation by the United States of the suspension of the "Team Spirit" joint military exercises in 1994 and the joint publication of the date of the third-stage talks by the DPRK and the United States.

So, it is unfair that one side ought to take an action first according to the promise, while the other side can take no action, breaking the promise. The problem cannot be resolved in this way.

It is a decisive moment in resolving the nuclear issue on the Korean peninsula and making a positive progress in improving the DPRK-U.S. relations.

It is evident that if the United States throw a snag in the way of reaching an agreement on steps for simultaneous actions or resort to pressure, the agreement between the DPRK and the IAEA cannot be implemented.

Some quarters of the United States, however, are arguing that only when the North and the South exchanged special envoys and the IAEA's inspection was fully made, is it possible to stop the "Team Spirit" and hold the third-stage talks.

It is attributable to this unreasonable position of the U.S., not to ours, that though the DPRK and IAEA agreed on the inspection for the continuity of safeguards, it has not been carried into effect.

Only when the United States show in action the fulfilment of its responsibility and obligation, will the inspection for the continuity of safeguards be made at the same time.

Daily Warns Against Deploying Patriots in South

SK2402045994 Pyongyang KCNA in English 0437 GMT 24 Feb 94

["They Must Act With Discretion"—KCNA headline]

[Text] Pyongyang, February 24 (KCNA)—The Kim Yong-sam puppet clique is now displaying feverish activities to bring U.S. Patriot missiles into South Korea.

NODONG SINMUN today views this as another sign that the puppet clique's war moves to slay the fellow countrymen in the North, teaming up with outside forces, have been carried into extremes.

The analyst says:

At a time when the United States was working full blast to deploy Patriot missiles at U.S. bases in South Korea as part of its attempt to overpower the Democratic People's Republic of Korea militarily, the puppets decided to introduce the missiles. This is an anti- national act which can be done only by warmaniacs who are balking at a peaceful solution to the nuclear issue on the Korean peninsula and trying to unleash a war against the North of the same nation.

Though the Kim Yong-sam puppet clique is attempting to frighten the North with something like Patriots, it is an inept act.

Even if the United States and the South Korean puppets bring into South Korea anything more terrible than Patriots, our people and People's Army will never be frightened.

The warmaniacs would be well advised to act with discretion.

KCNA Reports Anti-U.S. Protests in South

SK2402044194 Pyongyang KCNA in English 0427 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—South Koreans held protests last Saturday against projected deployment of Patriot missiles in South Korea, a foreign news report from Seoul said. The demonstrators watched two actors perform a parody of the U.S.-South Korean "alliance," wearing cartoon masks of Uncle Sam and the traitor Kim Yong-sam.

They attacked the "alliance" as an obstacle to Korean reunification, sang "Yankee Go Home" and chanted "Don't import weapons" and "No to Team Spirit."

U.S. 'Electronic Reconnaissance' Reported

SK2302044094 Pyongyang KCNA in English 0425 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The U.S. imperialists Monday committed an aerial photographing and electronic reconnaissance on the strategic depth and inland areas of the DPRK with an Okinawa-based RC-135 strategic reconnaissance plane in the skies above Pochon, Yanggu and Kansong, South Korea, along the Military Demarcation Line, military sources said.

That day large-calibre artillery units and armed bandits of the South Korean puppet army incited a war atmosphere, firing hundreds of bullets and shells in the areas adjacent to the demilitarized zone in Yonchon, Paju and Chorwon Counties, and formations of helicopter gunboats and transports of the puppet army staged an exercise of support and transport for ground attack units.

The war racket of the U.S. imperialists and the South Korean puppets is a vicious challenge to the unanimous desire of the Korean people and the world's peaceloving people for peace and reunification of Korea.

Remarks by Japan's Hata on Nuclear Issue Decried

SK2402045794 Pyongyang KCNA in English 0442 GMT 24 Feb 94

["Unreasonable Act"—KCNA headline]

[Text] Pyongyang, February 24 (KCNA)—Japanese Foreign Minister Tsutomu Hata and some Western figures argue that the nuclear inspection recently agreed upon between the Democratic People's Republic of Korea and the International Atomic Energy Agency [IAEA] does not mean "solution of the nuclear dispute" on the Korean peninsula. They claim that "a special inspection of two military sites must be made". Commenting on this, an analyst of MINJU CHOSON today says: What Hata said is a very unreasonable balderdash intended to put a brake on the implementation of the agreement reached between the DPRK and the IAEA with much difficulty after repeated negotiations.

The inspection agreed upon this time is not routine and ad hoc inspections pursuant to the safeguards agreement but an inspection under the special situation in which the DPRK temporarily suspended the effectuation of its withdrawal from the Nuclear Non- Proliferation Treaty.

We do not think that the foreign minister of a country put his nose into our inspection issue, not knowing this.

Hata's claim for "special inspection of two military sites" reveals his sinister intention to spoil the agreement on inspection for guaranteeing the continuity of safeguards which was reached with much difficulty and force a "special inspection" upon us at any cost.

His rigmarole is nothing but a petty trick to divert elsewhere the attention of the world from Japan's nuclear armament by obstructing the solution to our nuclear issue and aggravating the relations between the DPRK and the IAEA and between the DPRK and the United States.

We warn that Japanese Foreign Minister Hata and his likes must act with discretion, clearly knowing what the "special inspection" means and what consequences it will entail.

Remarks by Japan's Ozawa on DPRK Criticized

SK2402104694 Pyongyang KCNA in English 1013 GMT 24 Feb 94

[Text] Tokyo, February 20 (KNS-KCNA) [dateline as received]—Japanese figures criticised Secretary General Ozawa of the Japan Renewal Party for insulting and slandering the DPRK on FUJI television.

Akira Iwai, chairman of the Japan Committee For Supporting the Independent and Peaceful Reunification of Korea, in a statement branded Ozawa's outcry as a deliberate one to foster among the Japanese people the "suspicion of nuclear development" by the DPRK. The Japanese people must not be deceived by his false talk, he said.

Hiroshi Wakabayashi, secretary of the same committee, in a statement said: "Ozawa preached for 'building a system to counter a crisis,' groundlessly claiming that some change would take place in the DPRK. This revealed Ozawa's ulterior intention not only to slander the DPRK but also to malrevise the constitution and fascistize the government power."

Ippei Koyama, former vice-president of the House of Councillors, said Ozawa's outcry is just like Japan's past extensive propaganda about "threat from the Soviet Union" and is a drama to deceive the people.

Military analyst Ayazo Kubo in a statement said he could hardly repress indignation, hearing the TV address of Ozawa devoid of an iota of culture.

Michinao Zuchiya, chairman of the Nagano, Japan, Prefectural People's Council For Supporting the Independent and Peaceful Reunification of Korea, in a statement criticised Ozawa's address as an outburst putting a spoke in the wheel of DPRK-U.S. talks and antagonizing the DPRK. The nuclear issue on the Korean peninsula is attributable to the U.S. nuclear weapons deployed in South Korea, he said.

"The Japanese government must show sincerity for the improvement of Japan-DPRK relations including establishment of diplomatic relations," he urged.

Further on Visit by PRC Party Delegation

Kim Il-song Meets Delegation Head

SK2402105694 Pyongyang KCNA in English 1022 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The great leader President Kim Il-song today received Li Shuzheng, head of the International Liaison Department of the C.C. [Central Committee], the Communist Party of China, and her companions on a visit to Korea.

Present on the occasion were Hwang Chang-yop, secretary of the C.C., the Workers' Party of Korea [WPK], Chu Chang-chun, Korean ambassador to China, Kim Yang-kon, vice-director of a Department of the WPK Central Committee, and Qiao Zonghuai, Chinese ambassador to Korea.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

He was presented with a gift by Li Shuzheng.

Kim Chong-il Receives Gift

SK2402112094 Pyongyang KCNA in English 1024 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by Li Shuzheng, head of the International Liaison Department of the Central Committee of the Communist Party of China, staying in Korea.

The gift was handed to Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, by the head of the International Liaison Department.

PRC Ambassador Marks Aviation Accord Anniversary

SK2402052794 Pyongyang KCNA in English 0446 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—Chinese Ambassador to Korea Qiao Zonghuai arranged a party Wednesday evening at his embassy on the occasion of the 35th anniversary of the conclusion of the intergovernmental agreements on cultural cooperation and air services between the Democratic People's Republic of Korea and the People's Republic of China.

Present on invitation were chairman of the Committee for Cultural Relations with Foreign Countries Chong Chun-ki, Vice-Minister of Foreign Affairs Cho Kyu-il, Vice-Minister of Culture and Art Kim Chong-ho, Director of the Civil Aviation General Administration Kim Yo-ung and other officials concerned.

On hand were officials of the Chinese Embassy.

Speeches were made there.

Kim Il-song Meets With Outgoing Cuban Ambassador

SK2302113694 Pyongyang KCNA in English 1041 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The great leader President Kim Il-song today received Cuban Ambassador E.P. [extraordinary and plenipotentiary] to Korea Juan Jose Leon Vega, who paid a farewell call on him.

On hand were Vice Premier and Foreign Minister Kim Yong-nam and officials of the Cuban Embassy.

President Kim Il-song had a talk with the ambassador.

He received a gift from the ambassador.

President Kim Il-song Greets Amir of Kuwait

SK2402105294 Pyongyang KCNA in English 1020 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—President Kim Il-song of the Democratic People's Republic of

Korea today sent a message of greetings to His Highness Jabir al-Ahmad al-Jabir al-Sabah, amir of the State of Kuwait on the occasion of the 33rd anniversary of its national day.

President Kim Il-song in the message wished his highness and the Kuwaiti people success in the work for the sovereignty and prosperity of the country and expressed the conviction that the friendly relations between the two countries would further develop.

Prime Minister Greets Malian Counterpart

SK2402113794 Pyongyang KCNA in English 1025 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—Kang Song-san, premier of the Administration Council, sent a message of greetings to Ibrahim Boubacar Keita upon his appointment as Malian prime minister.

The message expressed the belief that the friendly and cooperative relations between the two countries would continue to develop favourably and wished him success in his responsible work.

Meanwhile, Foreign Minister Kim Yong-nam sent greetings to Sy Kadiatou Sow upon his appointment as Malian minister of foreign affairs, Malians abroad and African integration.

WPK Official Meets Head of Italian Institute

SK2302233594 Pyongyang KCNA in English 2231 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Secretary of the Central Committee of the Workers' Party of Korea Kim Yong-sun today met and had a friendly talk with General Secretary of the Italian Institute of International Relations Giancarlo Elia Valori.

Canadian Communist Party Delegation Departs

SK2302052794 Pyongyang KCNA in English 0504 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The delegation of the Canadian Communist Party (Marxist-Leninist) headed by its national leader Hardial Bains left here for home on February 22 after successfully concluding its 11-day visit to Korea.

It was seen off at the airport by Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea.

During its stay in Korea, the delegation visited Mangyongdae, the party founding museum, the West Sea Barrage and other places in Pyongyang and local areas.

WPK Sends Message to Costa Rican Party Chairman

SK2302113394 Pyongyang KCNA in English 1043 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] sent a message of greetings on Feb. 22 to Carlos Manuel Castillo, chairman of the National Liberation Party of Costa Rica, on his party's victory in the presidential election.

The message expressed the belief that the friendly relations between the two parties would strengthen and develop further and wished the Costa Kican Party and its chairman success in the work for the independent development of the country and the strengthening of the party.

Philippine Foreign Minister Opposes UN Sanctions

SK2302054294 Pyongyang KCNA in English 0505 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The Filipino Foreign Minister, Roberto Romulo, stated on February 21 that his country would not support the United Nations' "economic sanctions" against North Korea, KYODO reported.

Earlier, on February 15, he said a coercive measure against North Korea would adversely affect the stability of the Asia-Pacific Region.

In a memorandum presented to the president, he said the Philippines should check the moves to internationally isolate North Korea

Envoy to Kazakhstan Bids Farewell to Party Chief

SK2302024494 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 15 Feb 94

[Summary] Pak Chae-pil, our ambassador to Kazakhstan, paid a farewell visit to Svoik, cochairman of the Kazakh Socialist Party, on 11 February.

During the meeting, the cochairman asked the ambassador to convey his greetings to Kim Il-song and Kim Chong-il. He said that his party cherishes relations with the Workers' Party of Korea and that he supports the DPRK position of resolving the nuclear issue on the Korean peninsula through DPRK-U.S. talks.

Assembly Group Sends Condolences to Indonesia

SK2402052594 Pyongyang KCNA in English 0444 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The Korea-Indonesia Friendship Parliamentary Group of the Supreme People's Assembly sent a message of sympathy to the parliamentary group for bilateral cooperation between the House of People's Representatives of the Republic of Indonesia and the Supreme People's Assembly of the Democratic People's Republic of Korea in connection with a heavy loss of lives and properties by an earthquake in Indonesia.

The message expressed deep sympathy and consolation to the people in the afflicted area and hoped that the damages from the earthquake would be healed as soon as possible and the people's living be stabilized in Indonesia.

The Central Committee of the DPRK Red Cross society sent a message of sympathy to the Red Cross society of Indonesia.

Korean Solidarity Group Organized in Jordan

SK2402050594 Pyongyang KCNA in English 0428 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The Jordanian Committee for Solidarity With the Korean People was formed on the occasion of the dear leader Comrade Kim Chong-il's birthday.

The inaugural meeting was held in Amman on February 7.

A letter to Comrade Kim Chong-il was adopted at the meeting.

Papers Mark 24th National Day of Guyana

SK2302114194 Pyongyang KCNA in English 1024 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Papers here today dedicate by-lined articles to the 24th anniversary of the proclamation of the cooperative Republic of Guyana.

The proclamation of the cooperative Republic of Guyana was a fruition of the struggle of her people to consolidate national independence, MINJU CHOSON says, and goes on:

After the proclamation of the republic the Guyanese people have covered the road of building a new society.

They are now striving hard for the prosperity of the country, pushing aside all manners of intervention and pressure of outside forces.

Pursuing non-aligned policy externally, Guyana is developing friendly relations with foreign countries and making efforts to establish a new international economic order.

Though Korea and Guyana are geographically far away from each other, the peoples of the two countries are developing the bonds of friendship.

The Korean people believe that the friendly and cooperative relations between Korea and Guyana will further expand and develop in the common interests of the two peoples.

The Korean people extend congratulatory greetings to the Guyanese people on the day of the proclamation of the republic and wish them great success in their future work to build a new prosperous society.

Foreign Newspapers Cited on Nuclear Issue

SK2402105094 Pyongyang KCNA in English 1018 GMT 24 Feb 94

["Solution of Nuclear Problem on Korean Peninsula Depends on U.S. Side"—KCNA headline]

[Text] Pyongyang, February 24 (KCNA)—Foreign press branded the United States as the very one that brought forth nuclear issue on the Korean peninsula.

The Algerian paper HEBOLO LIBERE said:

Despite a stockpile of its nuclear weapons in South Korea, the United States spread a rumor that North Korea intends to make nuclear weapons, and is trying to internationalize it.

The United States is the first criminal in human history that massacred guiltless people by using atomic bombs during the Pacific War. The nuclear threat on the Korean peninsula does not come from North Korea but from the U.S. nuclear weapons deployed in South Korea.

The Indian paper DELHI SAMACHAR said:

The United States, taking South Korea as a bridgehead and nuclear forward base to gain supremacy in Asia and the world, shipped a large number of nuclear weapons there. Therefore, South Korea has been turned into a store house of nuclear weapons, largest in the world.

The JANA News Agency of Libya said: The United States, hiding its nuclear weapons in secret underground store houses of South Korea, cried for "nuclear development by the North." It is nothing but a pretext to keep nuclear weapons in South Korea.

The Peruvian paper LA REPUBLICA said that the U.S. imperialists declared the Korean peninsula the "forefront of the U.S. strategy" and intends to unleash a nuclear war there.

The Nepalese paper SUNDAY DISPATCH said that in view of the nuclear issue on the Korean peninsula caused by the U.S. side, the United States is to blame for this issue and, accordingly, it is clear that the issue should be solved by means of talks on the principle of the DPRK-U.S. joint statement.

The solution of the nuclear issue on the Korean peninsula depends on the U.S. side, it said.

Foreign Parties Support 31 Jan Statement

SK2302233094 Pyongyang KCNA in English 2228 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Political parties and organisations of various countries expressed full support to the January 31 statement of a spokesman for the Foreign Ministry of the DPRK denouncing the perfidy of the United States in reversing all points of agreement and promises between it and the DPRK.

Joint statements were published by the Danish Workers' Party, Common Cause, the Communist Party of Denmark (Marxist-Leninist) and the Communist Party of Denmark on February 10, by the Central Committee of the Bulgarian Communist Party (Marxists) and the Left-Wing Alliance of Bulgaria on February 3 and by the People's Democratic Movement of Guyana, the Amerindian Action Movement of Guyana, the Guyana Committee for Support of Korea's Reunification and the Guyana-Korea Friendship Association on February 2.

Statements were also released by the National Committee of the Workers' Party of Zaire, the Central Committee of the October 8 Revolutionary Movement of Brazil, the Asian Regional Institute of the Chuche Idea, the Nepal-Korea Friendship Association and the Union of Tanzania Workers.

The statements denounced the aggressive moves of the United States in violating the sovereignty of the DPRK.

They noted that the United States which is responsible for the origin of the nuclear issue on the Korean peninsula must not try to solve the issue from the position of strength but affirmatively respond to the formula of package solution proposed by the DPRK for a fair solution to the nuclear issue in the spirit of the DPRK-U.S. joint statement.

Pointing out that it is a mistake to try to stifle the DPRK with strength, the statements urged the United States to act with discretion.

H.G. Mahundi, police superintendent of the Ministry of Home Affairs of Tanzania, in a statement released on February 7 said that the "nuclear issue" of Korea could not be solved by a strong arm or strength and demanded that the United States correct its wrong stand, abide by the agreed points and respond to the DPRK-U.S. talks before it is too late.

Foreign Parties Support Pyongyang Declaration

SK2302051794 Pyongyang KCNA in English 0502 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism" was recently signed by the Socialist Progressive Party, the militant party for equality and struggle of Madagascar; the Renovation Movement; the Unionist Democratic Union and the Progressive Socialist Rally, of Tunisia; and the Communist Party of Canada (Marxist-Leninist).

The declaration was signed by 207 political parties as of February 15.

In April, 1992, many delegates of communist and workers' parties and other political parties aspiring after socialism from 70 countries adopted the historical Pyongyang declaration reflecting their steadfast will to defend and advance the cause of socialism.

The declaration, elucidating the secret of defending and advancing the cause of socialism, stresses the need for each party to firmly maintain independence.

Foreign Leaders Support Korean 'Just Cause'

SK2402050494 Pyongyang KCNA in English 0433 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—Party and state leaders of various countries voiced support to the just cause of the Korean people.

Ugandan President Yoweri Kaguta Museveni, when he received a delegation of the Workers' Party of Korea (WPK) headed by Yi Chi-su, president of the Chuche Idea Academy, expressed full support to the WPK's stand toward the reunification question and the nuclear issue on the Korean peninsula. He expressed the hope that the relations between the Uganda National Resistance Movement and the WPK would be consolidated and developed further still. Inaan Raad, chairman of the Nationalist Socialist Party of Syria in Lebanon, when he received the DPRK ambassador to Lebanon, expressed firm support and solidarity for the Workers' Party and people of Korea in their struggle to defend the sovereignty of the country and dignity of the nation.

The just struggle of the Korean people is a struggle to defend the interests of the peaceloving peoples of the world including the Arab people, he added.

Pointing out that the "nuclear issue" of Korea is a product of the anti-DPRK moves of the United States, he stressed: "The U.S. must stop the nuclear threat as agreed upon in the DPRK-U.S. joint statement and take a sincere stand to solve the nuclear issue on the Korean peninsula by means of negotiation, not by pressure."

Mohamedoun Dicko, secretary general of the Executive Committee of the African Party for the Solidarity and Justice of Mali, when he received the DPRK ambassador, said that his party's support to the lines and policies of the Workers' Party of Korea would be invariable in the future.

He expressed the conviction that Korea would certainly be reunified in the form of confederation clarified by the great leader his excellency President Kim Il-song. "It is the wisest way to solve the nuclear issue on the Korean peninsula through the DPRK-U.S. talks," he said.

Kim Chong-il's 'Famous' Works Published Abroad

SK2402050294 Pyongyang KCNA in English 0425 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The dear leader Comrade Kim Chong-il's famous work "Abuses of Socialism Are Intolerable" was published in booklet by the Cerberus publishing house of Hungary and the Datina publishing house of Romania on the occasion of his birthday.

The Kultura publishing house of Yugoslavia published in booklet his work "The Workers' Party of Korea Organizes and Guides All Victories of Our People."

In the preface of the booklet, the publishing house says this work, on the basis of a scientific analysis of the lawful requirement of the present time and the cause of socialism, expounds questions of principle in the building of the revolutionary party of the working class, including defence of the revolutionary character of the party and the strengthening of the unity and cohesion of the party and the relations between the party and the masses.

A seminar on his work "Our Socialism Centred on the Masses Shall Not Perish" was held at the Nicaraguan committee for the study of the chuche idea and a seminar on his works "On the Fundamentals of Revolutionary Party Building" and "Abuses of Socialism Are Intolerable" at the Peruvian Group for the Study of the Literary and Art Idea of Comrade Kim Chong-il.

Kim Chong-il Receives More Birthday Greetings

From Foreign Party Leaders

SK2402043594 Pyongyang KCNA in English 0421 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The dear leader Comrade Kim Chong-il received messages of greetings from foreign party leaders on his birthday.

The messages came from President Marian Donnelly and General Secretary Pat Quearney of the Workers' Party of Ireland, Chairperson Betty Frydensbjerg Carlsson of the Communist Party of Denmark, Chairman Preben Moller Hansen of the Danish Workers' Party, Common Cause, General Secretary Anthony Vassalo of the Central Committee of the Communist Party of Malta, General Secretary Khaled Bensmain of the Movement for Democracy in Algeria, General Secretary Dilip Barua of the Central Committee of the Communist Party of Bangladesh (Marxist-Leninist), National Chairman Lambert Mende Omalanga of the Lumumba Congolese National Movement-Original of Zaire, National Chairman Otete Gaston Mboyo of the National Movement of the Genuine Lumumbist Combatants of Zaire, National Chairman Emile Kibala Bey A Nsien of the Workers' Party of Zaire, and Secretary General Dr. Mamadou El Bechir Gologo of the National Direction Committee of the Sudanese Union-African Democratic Rally in Mali.

The messages extend warmest congratulations and greetings to Comrade Kim Chong-il and wish him good health and a long life.

They express their parties' firm solidarity with the Workers' Party of Korea in the efforts to build socialism and accomplish the cause of national reunification.

Comrade Kim Chong-il received a message of greetings from the Central Committee of the Mozambique Liberation Front Party on his birthday.

Seminars Held Abroad

SK2402104994 Pyongyang KCNA in English 1008 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—National seminars were held in foreign countries to celebrate the birthday of the dear leader Comrade Kim Chong-il.

The 29th national scientific seminar on the chuche idea was sponsored by the National Liaison Council of Japan Societies for the Study of the Chuche Idea and the Kochi Prefectural Executive Committee for the national seminar in Kochi City, Kochi Prefecture, Japan.

Fujio Hanawa, chief secretary of the National Liaison Council, in his keynote report said that the chuche idea is studied in many countries of the world because this idea correctly reflects the demands of the people fighting for independence and indicates their way ahead. He continued:

"Activities to study, disseminate and propagandise the chuche idea are honorable activities to acquire a scientific outlook on the world and realise the people's demand for independence.

"The triumph of Korean-style socialism greatly inspires the progressive people of the world. We must deepen our study of the chuche idea and become workers glorifying the new history of mankind."

The 14th Portuguese national seminar on the chuche idea was held in Lisbon.

The chairman of the Portuguese Central Committee for the Study of Kimilsongism, made a report, to be followed by speeches and congratulatory addresses.

They said Comrade Kim Chong-il expounded that man is an independent and creative social being with the consciousness of independence, thus greatly contributing to the world people's struggle to build a new world, independent and peaceful.

Letters to President Kim Il-song and Comrade Kim Chong-il were adopted at the seminars held in Japan and Portugal.

A Finnish national seminar on the history of revolutionary activities of Comrade Kim Chong-il was held in Helsinki.

Pekka Rantala, chairman of the Finnish National Committee for the Study of the Chuche Idea, and other speakers dwelt on the history of the revolutionary activities of Comrade Kim Chong-il and explained his greatness and wise leadership.

Messages of greetings to Comrade Kim Chong-il were adopted at the seminars.

Zimbabwe Sends Gift

SK2302114294 Pyongyang KCNA in English 1020 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from Zimbabwe on the occasion of his birthday.

A gift-conveying ceremony took place in Harare, Zimbabwe on February 14.

Speaking at the ceremony, N.T. Mawema, member of the Central Committee and director of the Political and Cultural Department of the Zimbabwe African National Union-Patriotic Front and chairman of the Zimbabwean National Committee for the Study of the Chuche Idea, referred in detail to the history of the revolutionary activities of Comrade Kim Chong-il.

The chairman said:

Kim Chong-il, he is just socialist Korea.

It is under the leadership of the great general Comrade Kim Chong-il with literary and military accomplishments and with loyalty and filial piety that Korean-style socialism is imposingly rising in the east of the globe, throwing its rays all over the world.

According to his interpretation of the gift, the gift "bell" is symbolic of the sound of the bell of chuche calling mankind to the accomplishment of the cause of independence and the tiger inscribed in the "bell" represents the majestic appearance of the general making the imperialists and the renegades of socialism shudder.

The gift was conveyed to the DPRK ambassador to Zimbabwe.

Foreign Groups Give Plants to Kim Chong-il

SK2402043094 Pyongyang KCNA in English 0410 GMT 24 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Plants which were gifted to the dear leader Comrade Kim Chong-il from different countries are growing at the international friendship greenhouse situated at the foot of Mt. Taesong in Pyongyang.

There are more than 1,800 kinds of plants sent by party and state leaders, political and public figures and progressive people of different countries from 1976 up to now.

Last year alone, hundreds of rare woody plants and herbs were sent here from China, Poland and other countries.

Growing at the greenhouse are Kimilsongia and Kimchongilia well known to the Korean people as well as the world people and other temperate and tropical plants such as hippophae rhamnoides, hemerocallis, platycerium bifrucatum c. chr., camellia japonica and rhododendron indicum sweet.

Herbal plants include psidium guajava and prunus mume var. alphandii and cassia occidentalis l.

Cassia occidentalis l. is a rare plant for elixir which was discovered by Dr. Keita Aduna, a public figure of Mali, covering a long distance of more than 6,000 kilometres on the birthday of dear Comrade Kim Chong-il.

Kim Chong-il Sends Birthday Table to Woman

SK2402104894 Pyongyang KCNA in English 1002 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—The dear leader Comrade Kim Chong-il sent a birthday table to Kim Kyu-chol, a centenarian in Sonpong-up, Sonpong County.

Upon receiving the birthday table imbued with loving care amid blessings of her family, relatives and villagers, the 100-year-old woman said she had wholeheartedly felt through her life how good her country was. "Because the dear leader pursues good politics for the people, I have been able to live 100 years and enjoy happiness today," she said.

In the DPRK, the number of macrobians is on a steady increase under the popular policies of the state.

The average life expectancy at birth is 74.5 years in Korea.

Kim Chong-il Sends Thanks to Various Work Units

SK2302113894 Pyongyang KCNA in English 1032 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—The dear leader Comrade Kim Chong-il extended thanks to the medical workers and researchers of different units including the hospital attached to Pyongyang University of Medicine, the Kangwon Provincial People's Hospital, the Wonsan City People's Hospital No. 1, the Hoeyang County People's Hospital, the Songpyong District, Chongjin, people's hospital, the Hoeryong City Sanatorium No. 2 and the Pak Song-un Institute.

They gave sincere medical service and assistance to People's Army servicemen and their families.

Comrade Kim Chong-il also sent thanks to various industrial establishments including provincial general bureaux of local industry, the Korea General Tobacco Corporation, Pyongyang and Hamhung vinyl chloride footwear factories, Pyongyang children's foodstuff factory, Sunchon leather shoes factory, shoe-making factories in Sinuiju, Kanggye and Hyesan, the Wonsan disabled soldiers' plastic daily necessaries factory, Wonsan and Sinchon tobacco factories and the Kaesong cosmetics production cooperative, which had distinguished themselves in implementing the policy of making revolution in the light industry.

They have fulfilled their every monthly and quarterly plans of the national economy, actively contributing to the improvement of the working people's living.

Kim Chong-il's Efforts for Soldiers Outlined

SK2202105094 Pyongyang KCNA in English 1018 GMT 22 Feb 94

[Text] Pyongyang, February 22 (KCNA)—Comrade Kim Chong-il, supreme commander of the Korean People's Army [KPA], highly praised the exploit of a KPA non-commissioned officer Hong Kyong-ae who died after saving her revolutionary comrades, and saw to it that the title of heroine of the republic was awarded to her and her platoon called "Hong Kyong-ae platoon".

At a critical moment she safeguarded portraits of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il at the platoon barracks and saved her revolutionary comrades, unhesitatingly laying down her life.

Comrade Kim Chong-il, with his benevolent care, sent gifts to her parents, praising them for having brought up a fine daughter for the country.

In December last year, he sent a 70th birthday table to twice hero of the republic Yi Hak-mun, not forgetting the day.

Comrade Kim Chong-il is a great brilliant commander who deeply trusts people's army soldiers as his comrades and loves them deeply.

Saying he must go everywhere there are People's Army soldiers, he has visited many posts of the KPA and shown deep concern for their training and life.

Twenty odd years ago, he called at an anti-aircraft artillery position of the people's army where he saw the training of soldiers and acquainted himself with their living conditions, asking them whether there was any inconvenience to them. And he had a warm- hearted conversation and posed for a photograph with them.

One summer day, he directed the training of seamen, sailing through the rough sea aboard a torpedo-boat.

Many stories about the loving care shown by the supreme commander to people's army soldiers are told among them. They include the stories that one rainy evening, Comrade Kim Chong-il put his own raincoat over a people's army soldier and set up a mobile sentry-box and, learning that a soldier, who was a son of a fallen fighter, did not know the fate of his younger brother with whom he parted during the fatherland liberation war, he took a measure to find his brother. So, the people's army soldiers deeply respect Comrade Kim Chong-il as the supreme commander of the Revolutionary Armed Forces and their father and write letters to him, vowing loyalty and filial piety to him.

In recent years, KPA officers, Yi Chang-ung and his six brothers and one sister, Kang Myong-il and his four brothers and many other soldiers sent letters to him, making their loyal oath to be revolutionary soldiers who will safeguard Comrade Kim Chong-il in the forefront with arms.

He read the simple letters of his soldiers one by one and sent them reply letters carrying his trust in and love for them.

Some time ago, Mun Chong-hwa, head of a chair of Kim Il-song University of politics, at the last moments of his life, left a will asking his students to faithfully attend supreme commander Comrade Kim Chong-il, the life and soul and destiny of the Korean nation.

The People's Army soldiers are unshakably determined to throw themselves into water and fire if the supreme commander orders them.

The noblest trust, unity and harmony between the supreme commander and his soldiers are the source of the invincible might of the Korean People's Army.

Events Mark 30th Anniversary of Rural Theses

Symposium Held in Pyongyang

SK2302045894 Pyongyang KCNA in English 0443 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—A national symposium was held here Tuesday marking the 30th anniversary of the publication of "Theses on the Socialist Rural Question in Our Country", a work of the great leader President Kim Il-song (February 25, 1964).

The rural theses is a flawless great programme of socialist rural construction which gives comprehensive and perfect answers to all the theoretical and practical questions arising in the solution of the rural questions ranging from the essence of the socialist rural question and the basic principle of its solution to the tasks for the building of the socialist countryside and ways for their fulfilment.

The symposium was attended by Yi Chong-ok, Politburo member of the C.C. [Central Committee], the Workers' Party of Korea and vice-president; Hong Song- nam, alternate Politburo member of the C.C., the WPK and vice-premier of the Administration Council; Kim Ki-nam and So Kwan-hui, secretaries of the C.C., the WPK, and other officials concerned.

Speakers stressed that the respected leader Comrade Kim Il-song, on the basis of the chuche idea, set forth the programme of rural construction that indicates scientifically and theoretically the way of resolving the peasant and agricultural problems in conformity with the essential requirements of socialist society, thereby spreading the first bright blueprint in history for a final solution of the rural question and providing a powerful ideological and theoretical weapon for vigorously pushing on socialist rural construction.

They said the theses on the socialist rural question is an immortal great programme of socialist rural construction whose truth and validity have been verified through practice.

They noted that it is world-historic feats performed by the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il in accomplishing the cause of socialism that our country has been effecting fundamental changes in rural construction and successfully resolving the peasant and agricultural problems by implementing the socialist rural theses with success.

The speakers laid stress on the need to study and grasp more deeply our party's idea and theory on socialist rural construction and continuously consolidate and develop the achievements made in implementing the rural theses, thus defending and glorifying Korean-style socialism.

KCNA Notes 'Diverse Activities'

SK2302114494 Pyongyang KCNA in English 1007 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—February 25 this year is the 30th anniversary of the publication of the theses on the socialist rural question.

The great leader President Kim Il-song published "Theses on the Socialist Rural Question in Our Country" in 1964, indicating a bright way of solving the rural question.

Diverse activities are taking place in the agricultural sector to celebrate the anniversary significantly.

According to Sim Ki-sok, section chief of the Central Committee of the Union of Agricultural Working People of Korea, a technical innovation emulation and a socialist emulation in building self-reliant repair bases among cooperative farms, a national performance of art circles of farmers, lectures and other functions are underway.

The technical innovation emulation divided into three stages involves the machine workteams and sub-workteams on all cooperative farms across the nation. A large number of technical innovation proposals, which are of importance for the completion of the comprehensive mechanization of agriculture, have been presented.

The socialist emulation in building self-reliant repair bases involves more than 180 farm machine stations across the nation.

Over 1,300 farmers from 13 units from all parts of the country are participating in the performance of art circles. The programme consists of the prologue, the epilogue, poem and story, choruses, dances, etc. The prologue "Cheers of Rural Theses Echo Through the World," the dance "Bumper Crops Under Rays of Rural Theses" and all other numbers are of high ideological and artistic value.

The Central People's Committee of the DPRK instituted rural theses 30th anniversary commemoration order in January in order to commend the agricultural working people who have rendered distinguished services in the implementation of the rural theses.

NODONG SINMUN Lauds Theses

SK2302112694 Pyongyang KCNA in English 1040 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—We have great rural theses which can convincingly declare the victory of socialism over capitalism in the solution to the rural question, says NODONG SINMUN today.

A political essay of the paper headlined "We Have Great Theses" reads in part:

Socialist Korea is a great country, the first country in history to successfully solve the difficult and outstanding socialist rural question on the basis of the great rural theses.

The dear leader Comrade Kim Chong-il said:

"'Theses on the socialist rural question in our country' authored by the great leader Comrade Kim Il-song is our party's programme of building the countryside and a bright blueprint for a final solution of the rural question."

The great rural theses is the only programme for a solution to the rural question, the first of its kind in history which was authored by the great leader Comrade Kim Il-song and has been successfully implemented by our party.

This great theses clearly indicates the way of finally solving the rural question by vigorously carrying on the three revolutions, ideological, technical and cultural, in the countryside, realising the leadership of the working class to the peasants, assistance of industry to agriculture and support of towns to the countryside, strengthening the guidance and management of the rural economy and the [words indistinct] between property of the whole people and cooperative property and eliminating the class distinction between the working class the peasantry. It is a great programme of rural construction which could be provided only by Comrade Kim Il-song, who founded the idea greatest ever in history and looks behind the curtain of time with a strong sense of responsibility for the destiny of our peasants and other people.

The changes which have taken place in the socialist countryside of our country thanks to the rural theses are a brilliant fruition of the iron will and the revolutionary practice of the great leader and the illustrious leader, who have [words indistinct] the idea and principles of the great theses in any circumstances and have guided our people along the road indicated by it.

Though there are many roads in the world, the way indicated by our rural theses is the most correct and shortest one. We have our own way. Our respected leader and dear leader are great and our rural theses is entirely just.

We will follow the road of chuche, the way of the rural theses, no matter which way the wind may blow and no matter what others may say.

We will move up the day of the complete victory of socialism and realise the idea of communism without fail from rice along the road indicated by the great rural theses, which was authored by Comrade Kim Il-song and has been implemented by Comrade Kim Chong-il.

We have great rural theses.

Postage Stamps Mark Anniversary

SK2302114094 Pyongyang KCNA in English 1028 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Korea recently issued memorial postage stamps and postcards on the occasion of the 30th anniversary of the publication of "Theses on the Socialist Rural Question in Our Country", a famous work of the great leader President Kim Il-song.

Stamps carry a picture of President Kim Il-song looking with a bright smile on his face over fields of golden ears of rice ripe under the rays of the theses and a picture of the dear leader Comrade Kim Chong-il walking through crop fields with farmers.

Some stamps depict agricultural working people who are riding Chollima under the banner of the three revolutions, ideological, technical and cultural, and picture socialist cooperative fields where irrigation and electrification have been completed and mechanisation and extensive use of chemicals are being promoted powerfully.

There are stamps portraying agricultural working people who are being trained into agronomists and assistant agronomists and many other stamps showing the successful promotion of the ideological, technical and cultural revolutions in the countryside.

Postcards and envelopes reflect the validity and vitality of the socialist rural theses.

Revolutionary Monument Built

SK2402052994 Pyongyang KCNA in English 0451 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—A revolutionary monument was built on the Haksan cooperative farm in Hyongjesan district in the suburbs of Pyongyang on the occasion of the 30th anniversary of the publication of "Theses on the Socialist Rural Question in our Country", a famous work of the great leader President Kim Il-song.

The revolutionary monument "You, the land thriving under the rays of the great rural theses hand down the feats through generations" is an immortal monument which will convey down through generations the tireless efforts and leadership feats of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il in unfolding a grand plan of rural construction and carrying the socialist rural theses into effect.

Visiting Sinmi village there on February 12, 1946, President Kim Il-song met the villagers and showed them deep trust and inspired them with a new hope, saying that the farmers were the master of the land now that the country was liberated and they should build a prosperous country by reaping rich crops.

Comrade Kim Chong-il called at the Haksan cooperative farm in early January 1964 and took a meticulous care of all the affairs of the farm, walking through snow-covered fields and going round farmers' houses and the shop in order to realize the great leader's plan of rural construction, and afterwards, energetically guided the farm in the implementation of the rural theses.

Present at a ceremony for unveiling the monument Wednesday were Secretary of the Central Committee of the Workers' Party of Korea So Kwan-hui and officials concerned.

Art Exhibition Opens

SK2402053094 Pyongyang KCNA in English 0455 GMT 24 Feb 94

[Text] Pyongyang, February 24 (KCNA)—An art exhibition opened here Wednesday to mark the 30th anniversary of the publication of the rural theses.

On display are more than 70 art works of various forms including Korean paintings "The Great Leader Comrade Kim Il-song Conversing With Peasants To Open a New History of Agricultural Cooperativization," "The Dear Leader Comrade Kim Chong-il Transplanting Rice With Artistes" and "The Dear Leader Comrade Kim Chong-il Walking on a Farm Field in a Bountiful Year" representing the revolutionary activities of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

The works show the proud realities of the Korean countryside that has been turned into a modern socialist countryside good to live in under the wise guidance of

President Kim Il-song and Comrade Kim Chong-il, the vigorous drive of agricultural working people who are carrying through the agriculture-first policy of the party and the working people actively helping the socialist rural communities.

An opening address was made by Chang Chol, vice-premier of the Administration Council and minister of culture and art.

Yang Hyong-sop Speaks on Chuche Anniversary

SK2302134494 Pyongyang Korean Central Broadcasting Network in Korean 2205 GMT 18 Feb 94

[Speech by Yang Hyong-sop, candidate member of the Workers Party of Korea Central Committee Political Bureau and chairman of the Supreme People's Assembly, at a central report meeting held at the 8 February Hall of Culture on 18 February to mark the 20th anniversary of Kim Chong-il's promulgation of the program of modeling the entire society after the chuche idea—read by announcer]

[Text] Comrades: Today, at a historic time when all party members and the working people across the country are affecting a new upsurge in socialist construction under the revolutionary banner of singlehearted unity and self-reliance, we significantly celebrate the 20th anniversary of the promulgation of the program of modeling the entire society after the chuche idea.

The dear leader Comrade Kim Chong-il formalized the great leader's revolutionary ideology and promulgated the task of modeling the entire society after the chuche idea as the supreme program of our party in his historic work published 20 years ago. With the publication of the work, our party has come to have a mighty ideological and theoretical weapon which makes it possible to push ahead with the forward movement toward socialism, communism with certainty, and this is a historic event which opened a new, epochal turning point for the development of our party and the revolution.

The modern history of the Korean revolution which has been advancing under the banner of modeling the entire society after the chuche idea and today's realities clearly prove the greatness of the work and its invincible vitality.

Today we recall with dignity the course of our glorious struggle for the work of modeling the entire society after the chuche idea on which we have been victoriously advancing along the party's leadership, upholding the great leader [widaehan yongdoja] at the head of the party and the revolution.

Comrades: The dear leader Comrade Kim Chong-il's work is an immortal classical document which is of historic significance in the building of our party and in the development of our revolution. As historic experiences show, the party of the working class can victoriously develop revolution and construction and outstandingly perform its mission only when it has the right guiding ideology and revolutionary theory and the right struggle program, strategies and tactics.

Because it takes the great leader Comrade Kim Il-song's revolutionary ideology, that is, the chuche idea, as its guiding principle, the Korean revolution has been able not only to victoriously open the road ahead of its struggle with the chuche-oriented line, strategies, and tactics, but also to consistently advance along the track of chuche without the slightest degree of deviation and derailment in defiance of all sorts of trials in history.

Indeed, the entire course of the Korean revolution is not only a proud course of victory on which the great leader's [suryong] revolutionary ideology, that is, the chuche idea, has been brilliantly embodied and turned into a reality, but is also a historic course on which its truthfulness and vitality have been fully proven in all sectors of society.

The glorious course of the Korean revolution and the great epochal changes achieved in our country have clearly shown that the only guiding ideology which leads to victory the revolutionary struggle and socialist and communist construction of our era, that is, the era of independence—which is fundamentaly different from the previous eras of history—is precisely the revolutionary ideology of the respected and beloved leader [suryong], that is, the chuche idea.

Taking the great leader's [suryong] revolutionary ideology as a guiding ideology and making efforts for socialist, communist construction under its banner was not only a strong aspiration of the times, but was also a unanimous desire of hundreds of millions of people in the world.

With his deep insight into the aspiration of the times and the demands of our developing revolution, the dear leader Comrade Kim Chong-il published his historic work on 19 February 1974 and, thus, gave perfect answers to the problems that the times and the revolution presented as urgent tasks. The dear leader Comrade Kim Chong-il has profoundly elucidated the historic position and characteristics of the great leader Comrade Kim Il-song's revolutionary ideology, that is, the chuche idea, which is the only guiding ideology of the revolution and construction of our times; presented not only the program of modeling the entire society after the chuche idea, but also the basic mission of the party's ideological work and the immediate tasks for the realization of the program; and systematized them in a monolithic manner. Thus, the dear leader Comrade Kim Chong-il has provided an invincible, mighty ideological and theoretical weapon which can firmly guarantee the victory of the working class' revolutionary cause, the socialist and communist cause. This is precisely the dear comrade leader's immortal achievements for the times and the revolution.

The dear comrade leader's historic work is a library of the great leader's revolutionary ideas which have made it possible to bring about momentous changes in developing the communist revolutionary theories, building a working-class revolutionary party, waging revolutionary struggles, and carrying out construction projects. It is also a militant banner that leads our people and the revolutionary people in the world to victory.

The work has brought about a new change in the development of the guiding ideas of the revolution by strongly defending the great chuche idea and further enriching it.

The dear comrade leader has developed the great leader's revolutionary ideas into an integrated system of chuche-oriented ideas, theories, and methods and made them completed communist revolutionary theories on realizing the popular masses' independence.

The dear comrade leader has formulated the great leader's revolutionary ideas into an integrated system of the immortal chuche idea and revolutionary theories and leadership methods which the chuche idea has elucidated and, thus, clearly stated that the great leader's revolutionary ideas have different characteristics from the working class' previous revolutionary theories. In this way, the perfect definition of the great leader's revolutionary ideas has been given at last, and the question concerning the guiding ideas of the revolution in our era has been resolved brilliantly.

Since the question concerning the guiding ideas of the revolution has been resolved completely, the working class and the popular masses of our era, equipped with the most correct guiding principles and strategies and tactics, have been able to successfully build socialism and communism.

In his work, the dear comrade leader presented an idea and theory on imbuing the entire society with the chuche idea and stated that a communist society is a society that is based on the chuche idea and where the chuche idea has been implemented completely. In this way, he has provided our party with a fundamental guideline for its activities.

The dear comrade leader early on elucidated the leader's [suryong] status and role in the development of history and the implementation of the popular masses' cause of independence, and declared for the first time in history that imbuing the entire society with the chuche idea is the foremost program of our party. In this way, he firmly transformed the course of socialist, communist construction into a course of implementing the leader's [suryong] revolutionary cause.

The program to imbue the entire society with the chuche idea is a great communism building program to reform man, society, and nature as required by the chuche idea, successfully conquer all the ideological and political fortresses and materialistic fortresses of communism, and completely realize the popular masses' independence. Because the program to imbue the entire society with the chuche idea has been presented, our party has been able to successfully carry out the chuche revolutionary cause—which the great leader cultivated—along the most straight road and more vigorously accelerated the historic march toward socialism and communism. Truly, the program to imbue the entire society with the chuche idea is an immortal milestone that has opened a road toward historic changes in implementing the popular masses' cause of independence, the socialist, communist cause.

The work has elucidated the most correct road for the ultimate victory of the socialist, communist cause in our country and, thus, become a firm guarantee that enables our party to fulfill its historic mission. Our party's historic mission is to realize the popular masses' cause of independence, the socialist, communist cause, and completely realize the independence of all members of the society.

Thanks to the program to imbue the entire society with the chuche idea, our party has been able to effect social changes in building socialism and communism in compliance with the ideal of realizing the popular masses' independence, and, as a result, a new history has unfolded in which man's independence has been fully realized in all fields of his social life.

The dear comrade leader has presented a general direction to complete the chuche revolutionary cause in our country and elucidated detailed ways to implement the cause. In this way, he has provided a guiding principle that we must firmly adhere to in strengthening and developing our party into an honorable chuche-oriented party forever and endlessly enhancing the party's leadership role and militant function as required by the demand for imbuing the entire society with the chuche idea.

Persistently keeping up and thoroughly embodying the revolutionary policies for socialist and communist construction put forth in the work, our party has been able to successfully carry out the three major makeover projects, namely, remaking nature, society, and people, as demanded by the chuche idea, and to splendidly build the popular mass-centered socialism of our style.

Truly, the historic work of the dear comrade leader is a monumental work that has summarized the great leader's revolutionary idea and further developed and enriched the theory on building communism and the theory on revolutionary party building. It is our lasting assets that firmly ensure the ultimate victory of socialist-communist construction. Because of this immortal classic work, our party has been able to make clear its revolutionary nature and mission as a chuche party both in name and reality, and to steadfastly accelerate its historic march for the completion of the chuche revolution.

Comrades: Because of the greatness of the work, the historic work of the dear leader Comrade Kim Chong-il has boundlessly stirred our people and the world's progressive people and thoroughly demonstrated its indestructible vitality in our practice of the revolution. For the past 20 years since the publication of the work, the struggle to remake nature, society, and people as demanded by the chuche idea has been waged vigorously in our country under the wise leadership of the party. Through this process, a momentous advance has been made in occupying the ideological, political, and material fortresses of socialism and communism, and the chronicle of our revolution has been more splendidly embroidered with epochal changes and heroic events.

The dear comrade leader organized and mobilized the entire party membership and all the people to the struggle to realize the tasks set forth in his historic work, making it possible for the vitality of the program for modeling the entire society on the chuche idea to be highly displayed in all fields of party and state building and social life.

The struggle of our party and people to model the entire society on the chuche idea has been an arduous and difficult struggle in which we had to pioneer the untrodden road of socialist construction in the fierce struggle against all sorts of opportunism and class enemies within and without society. Our party, based on its deep insight into the prevailing situation and the reality of the international communist movement, vigorously pushed ahead with the revolution and construction, placing itself firmly in an independent position, and has firmly built political, ideological, and material bases for the ultimate victory of modeling the entire society on the chuche idea.

We are proud to recall the past 20 years, because, through the struggle to realize the modeling of the entire society on the chuche idea, our party's authority has been extraordinarily enhanced, its might further strengthened, and the main force of our revolution solidified as an invincible one.

The dear comrade leader, who made it a theme of key importance to strengthen the party and enhance the party's leadership role in leading the revolution and construction, put forth the party building policy, above all, on modeling the entire party membership on the chuche idea. By implementing this policy, he has strengthened and developed our party to be invincible ranks which are firmly united based on the great leader's revolutionary idea, and to be a militant and refined leading political organization.

The dear comrade leader put forth a precise course and slogan of struggle at every point in the development of the revolution. He published numerous historic works, such as "on destroying the old frame and effecting a new upturn in the party work," "the historical lesson in socialist construction and our party's general line," and "the fundamental problem of the revolutionary party building," and led the party work along the road of great upturn, thus providing a firm guarantee for vigorously pushing ahead with the modeling of the entire society on the chuche idea.

The dear comrade leader's wise leadership made it possible to make a fundamental turning point in the party work, and it enabled our party to greatly demonstrate its majestic appearance as the vigorous and seasoned party, which is excellently fulfilling its functions and role as a militant political organization winning the people's absolute confidence, with its roots deep in the masses, and as the General Staff office of the Korean revolution.

The dear comrade leader has renewed the party's appearance under the slogan for modeling the entire society after the chuche idea and strengthened the party to be prosperous, ever-victorious, militant ranks. This is indeed the most brilliant achievement that the dear comrade leader has made for the party building cause.

The revolution's chuche might is its political and ideological might guaranteed by human remolding and ideological remolding. Considering the establishment of the party's unitary control system in the entire party and society to be the first task of the human remolding work, our party has constantly intensified and developed the party's ideological work in accordance with the developing revolution.

While keeping up with the ideological revolution as a key problem, our party has intensified the indoctrination of the party members and working people on principles of the chuche idea, faithfulness, party policies, and the revolutionary tradition, so that it has armed them with our party's revolutionary ideology and the chuche idea and has vigorously pushed ahead with the ideological transformation of the entire society.

As a result of the party's vigorous ideological work of modeling the entire society after the chuche idea, party members' and working people's loyalty to the great leader and the dear comrade leader has increased more than ever. At the same time, the single-hearted unity of the leader, the party, and the masses has been consolidated as firm as a rock; the socialist chuche has been further strengthened; and its role has been enhanced greatly.

This is a great victory achieved in the communist-style human remodeling work under the banner of remodeling the entire society after the chuche idea, and this is where the source of the invincible might lies, which enables our revolution to be ever-victorious under any stormy circumstances.

The entire society has formed into a large revolutionary family with the great leader and dear comrade leader as the parents, according to the communist principle, "One for the whole and the whole for one." All party members and working people help one another and share joys and sorrows for the sake of the fatherland, the people, the society, and groups, and they are continuously innovating and advancing, filled with optimism and faith in victory of the revolution. This is the real look of our society, where the chuche idea has been embodied.

The reinforcement and development of our party and the fundamental changes in our people's political, ideological, spiritual, and moral aspects clearly show that the dear comrade leader's historic works serve as powerful weapons for building the party and strengthening the main forces of the revolution.

It is a brilliant result of his works that through the struggle for modeling the entire society after the chuche idea, economic and cultural areas and all other domains of our social life are being reformed in accordance with the demand of the chuche idea.

The dear comrade leader originally elucidated principled problems in reforming the society in accordance with the demand of the chuche idea in all domains of our social life, including economic and cultural areas, and has wisely led the struggle to solve the problems.

Thanks to the dear comrade leader's wise leadership, the line for chucheizing, modernizing, and scientizing the people's economy could completely be implemented; our economic independence has been strengthened; the farming industrialization and modernization has been accelerated according to the rural theses; and a lot of problems in freeing the working people from hard and difficult labors have been solved.

Thanks to the party's tested leadership we have been able to make great advance in the fulfillment of the Third Seven-Year Plan in defiance of the international events of the collapse of socialist countries and under the situation in which the imperialists' maneuvers against socialism and our Republic are viciously perpetrated. We have also been able to build in succession monumental edifices for the ages which amaze the people of the world, thereby changing the appearance of our fatherland in conformity with the demands of the chuche idea. This extensively shows the vitality of the program of modeling the entire society after the chuche idea and the might of our country's self-reliant national economy and clearly symbolizes the heroic mettle of socialist Korea which is victoriously advancing without being influenced by the worldwide upheaval.

The dear comrade leader has taken it as an important principle to establish chuche in all sectors of cultural construction, to embody the party spirit, the working class spirit, and people-mindedness, and to correctly combine socialist content with national form, and wisely led their thorough implementation.

With the implementation of the socialist education thesis the growing new generations have been prepared to become chuche-type communist human beings, a large unit of 1,730,000 intellectuals has been established, a grand flower garden of chuche-oriented literature and arts has been unfolded, and all of the people have become the creators and enjoyers of culture. This is the immoral achievement of our party in its struggle for reforming culture in conformity with the demands of the chuche idea.

Through the course of struggle for modeling the entire society after the chuche idea a brilliant victory has been achieved in the implementation of the cause for Army building, too. As a result of the implementation of the party's self-defending military line our People's Army has been further strengthened politically, ideologically, militarily, and technologically and has grown up to be an ever-victorious revolutionary armed forces capable of repelling any invasion by the enemies at one blow. As a result of the firm establishment of an all-people defending system we have come to have a firm military guarantee for the victory of the chuche revolutionary cause.

The epochal changes and rapid development achieved in our country's socialist construction and national defense construction are mighty proof to the vitality of the dear comrade leader's historic work. Through the embodiment of the program of modeling the entire society after the chuche idea the popular mass-centered socialism of our own style has been further strengthened and developed, its invincible might is being demonstrated, the generation of our revolution has firmly continued, and its prospect is endlessly bright.

Indeed, the period of the past 20 years during which we have accelerated the work of modeling the entire society after the chuche idea along the road designated by the dear comrade leader is not only a period of 20 years of great change, but is also a period of the 20 years of creation and change which has brought a great golden age to chuche Korea by molding nature, society, and human beings. The period is also a period of the 20 years of victory during which we have sternly smashed all sorts of challenges by the imperialists and reactionaries and the counterrevolutionary maneuvers by the opportunists and, thus, resolutely safeguarded and defended and infinitely glorified the socialism of our own style.

All victories and successes achieved in the course of struggle for modeling the entire society after the chuche idea are a noble result of the dear leader Comrade Kim Chong-il's excellent and tested leadership.

By elucidating the path for modeling the entire society after the chuche idea and by wisely leading the party and the popular masses into its realization the dear comrade leader has completely improved party work, that is, the party's ideological work, and effected a new revolutionary turn in all sectors of social life, including the economy and culture.

Thanks to the farsighted wisdom and excellent leadership of the dear comrade leader, a great change has been effected in all sectors of politics, the economy, culture, and military, let alone party work. Thus, our revolution has been able to meet a period of new upsurge, and our party and people have been able to vigorously continue their advance along the path of modeling the entire society after the chuche idea even amid the formidable trials in history, full of faith in certain victory and without the slightest trepidation.

Truly, the dear comrade leader's leadership is a source for the victory of our revolution and a firm guarantee for boundless prosperity and development in our fatherland.

On this meaningful occasion today, with a sense of loyalty of all party and people in the entire country, I extend the highest honor and warmest thanks to the dear leader of our party and people Comrade Kim Chong-il, who, by carrying out outstanding ideological and theoretical activities and exercising energetic leadership, is endlessly developing and enriching the great chuche idea, the guiding idea of our era's revolution; victoriously leading the cause of imbuing the entire society with the chuche idea; and, thus, highly displaying our party's authority and the might of chuche Korea.

Comrades: Our party and workers has advanced far while carrying out the cause of imbuing the entire society with the chuche idea. Still, the road toward completing the cause is arduous and turbulent, and we have many things to do.

The imperialists and reactionaries are more viciously maneuvering to isolate and stifle [korip chilsik] our Republic and crush [apsal] our socialist cause, and the situation in our country is growing very tense. In compliance with today's situation in which we are building socialism amid tense confrontation with the enemy and in compliance with the demand of our revolution's development, we must thoroughly implement the revolutionary lines of self- dependence, self-support, and self-reliant defense and more vigorously carry out the three revolutions—ideological, technological, and cultural. By so doing, we must resolutely defend and maintain popular masses-centered socialism of our own style and develop it endlessly, and realize the cause of the fatherland's reunification, the nation's earnest desire, at the earliest possible date.

If we are to maintain socialism of our country and brilliantly realize the cause of imbuing the entire society with the chuche idea, we must cherish single-hearted loyalty deeper in our hearts and be boundlessly loyal to the leadership of the dear comrade leader.

The great leader Comrade Kim Il-song has taught: The entire party and all people must dutifully follow [chalbadduro nagaya] Comrade Kim Chong-il's leadership if they are to maintain popular masses-centered socialism of our country and brilliantly complete the chuche revolutionary cause.

The dear leader Comrade Kim Chong-il is our fatherland's destiny and our revolution's banner of invincibility, and loyally following the dear comrade leader's leadership is a decisive guarantee for completing the cause of imbuing the entire society with the chuche idea.

All party members and workers must have the unchanging, firm belief that our revolution will win victory without fail as long as there is the dear comrade leader's leadership and must be loyal to the party's leadership single-heartedly.

Important in possessing single-hearted loyalty with which we absolutely worship [sungbae] and follow the dear comrade leader is cherishing the greatness of the dear comrade leader deep in our hearts.

We must walk along the single revolutionary road, cherishing deep in our hearts how great is the dear leader Comrade Kim Chong-il, the people's great leader [inminui widaehan yongdoja], an outstanding ideologist and theoretician and politician, and a distinguished [pibomhan] military strategist who has literary and military accomplishments and loyalty and devotion.

Strongly arming ourselves with our party's ideas and thoroughly implementing those ideas is a prerequisite for loyally upholding the party's leadership and completing the chuche revolutionary cause. We must strongly arm ourselves with our party's revolutionary idea, the chuche idea, thoroughly implement the idea in all fields of revolution and construction, and wage an uncompromising struggle against toadyism [sadaejuui], doctrinism, revisionism, and all other antiparty, antirevolutionary ideological trends that run counter to our party's ideas. In this way, we must firmly defend the purity [sungyolsong] of the chuche idea.

All party members and workers must make loyalty to the party as their faith, conscience, morality, and daily life and make it their absolute rule to think and move only in compliance with the party's ideas and intentions anytime, anywhere.

If we, in hearty response to our party's leadership, are to successfully carry out the cause of imbuing the entire society with the chuche idea, we must more thoroughly establish the party's unified leadership system.

All the party members and working people should accept the party's lines and policies as the most just ones and as the demand of life, and by unconditionally implementing them under any difficult conditions and environment, they should fulfill their fidelity and duty as revolutionary fighters sharing fate with the party.

We should establish a firm revolutionary discipline in which the entire party membership, all the people, and the entire army move as one under the party's leadership, and should never tolerate any disciplineless and nonsocialist elements. In so doing, we should make sure to firmly establish the ethos that within our revolutionary rank, everyone breathes with the party, speaks in the voice of the party, and walks in step with the party.

To victoriously advance and complete the cause of modeling the entire society on the chuche idea, we should continuously strengthen the unity and cohesion of the party and the revolutionary ranks. The wholehearted unity of the leader, the party, and the masses is the everlasting vitality of our-style socialism, and the backbone of our revolution. Our revolution has victoriously advanced overcoming extraordinarily arduous trials, and we are turning adversity into a smooth condition, adhering to and adding luster to socialism, in a grave environment where the imperialists' antisocialist offensive is intensified in an unprecedented manner. All this is attributable to the fact that our revolutionary ranks have formed a strong main force of the revolution wholeheartedly united around the leader. revolutionary ranks around the leader.

We should taintlessly inherit the tradition of unity and cohesion created in the pioneering period of the Korean revolution, solidify the wholehearted unity of the party and the revolutionary ranks as firm as a rock, crush all sorts of challenge of the imperialists and reactionaries with the might of the wholehearted unity, and effect continuous upsurge in the revolution and construction.

To successfully carry out the cause of modeling the entire society on the chuche idea, we should accelerate the socialist economic and cultural construction continuously and vigorously. As a present task, we should concentrate all our efforts for the struggle to implement the party's revolutionary economic strategy. The great leader Comrade Kim Il-song put forth the revolutionary economic strategy in the 21st plenary meeting of the Sixth party Central Committee and in his New Year's address this year setting aside three years as an adjusting period in which to carry out the agriculture-first policy, light industry-first policy, and trade-first policy.

Dwelling in the party's revolutionary economic strategy is our party's firm resolve and will to momentously improve the people's living standard within a few years and to develop the country's economy into a chuche-oriented economy which does not shake under any economic blockade by the imperialists. We should thoroughly implement the party's revolutionary economic strategy in order to further strengthen the might of our-style socialism and highly display its superiority.

To thoroughly implement the party's revolutionary economic strategy, we should highly display the revolutionary spirit of self-reliance and fortitude. Under the present condition where the imperialists are further intensifying the maneuvers for economic blockade [kyongje pongsoe] to stifle [chilsik] our country's socialism, the way to vigorously accelerate socialist economic construction is to exert the revolutionary spirit of self-reliance and fortitude. Under the party's militant slogan "Let us vigorously accelerate the socialist all-out march with the revolutionary spirit of self-reliance and fortitude," all the party members and working people should dash forward vigorously with the spirit of the chollima plus the speed of the nineties and effect great upsurge in all sectors of the people's economy.

We should actively struggle to achieve a new development in all areas of the socialist cultural construction—including science, education, literature, art, and public health—upholding the party policy on cultural revolution.

We should constantly concentrate great efforts on increasing the national defense strength to cope with [taecho hayo] today's acute situation, in which the enemies are ceaselessly conducting war provocation maneuvers.

We should completely implement the party's military line and make every preparation so as to actively cope with any emergency situation [ku otton puruiui chonghwangedo chudongjoguro matsolsu ittorok]. We should also thoroughly establish the ethos of army-people unity in the entire society so as for the people to value the military and for the army and the people to share their fates.

The fatherland's reunification is the supreme national task [minjok chisangui kwaop] for our people that cannot be delayed any further.

We will make every effort to achieve the unity of the whole nation and to reunify the country in a way of confederal system based on the three principles of independence, the peaceful reunification, and the great national unity, upholding the 10-Point Program of the Great Unity of the Whole Nation for the Reunification of the Fatherland presented by the great leader.

Although imperialists are indulging in bravado and bluster on the international stage, talking about an end of socialism, no one can reverse the historical trend of the worldwide people's advance for independence.

The struggle of our party and people to implement the cause of modeling the entire society after the chuche idea is a honorable and sacred struggle for our fatherland's endless growth and prosperity and for mankind's bright future, and it will vigorously encourage the progressive people of the world who are struggling to protect their independence.

We should actively contribute to implementing the global cause of independence and fulfill our international duties [uriege matkyojin kukchejuuijok uimu] by vigorously pushing ahead with the struggle for modeling the entire society after the chuche idea.

Our people's struggle for modeling the entire society after the chuche idea is arduous, but our cause will achieve the victory without fail.

There is no force in the world that can block the sublime march of our people, who are fighting for the just cause under the leadership of the great leader and the great party.

Let us all firmly unite ourselves around the party Central Committee headed by the respected and beloved Comrade Kim Il-song, and vigorously fight for the ultimate consummation of the chuche revolutionary cause, with faith in certain victory and revolutionary optimism, under the banner of modeling the entire society after the chuche idea.

Long live Comrade Kim Il-song, the great leader of our party and people!
Long live Comrade Kim Chong-il, the dear leader of our party and people!

Kim Chong-il's Brilliance as Theorist Extolled

SK2402064994 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 19 Feb 94

[Unattributed talk: "The Dear Leader Comrade Kim Chong-il Is the Great Leader Who Is Brilliantly Carrying Out the Cause of Modeling the Entire Society After the Chuche Idea"]

[Text] The dear leader Comrade Kim Chong-il expounded the program of modeling the entire society after the chuche idea 20 years ago. During this period our party and people have consistently waged the struggle to model the entire society after the chuche idea under the dear comrade leader's leadership. As a result, they have registered great victories and changes which are unprecedented not only in the history of our nation, but also in the history of the communist movement, and our revolution has greeted an ever- victorious era of a new upsurge.

It is thanks to the wise leadership of the dear leader Comrade Kim Chong-il, who is brilliantly leading the cause of modeling the entire society after the chuche idea, that our people have proudly built a tower of socialist success on which the chuche idea has been embodied and are enjoying an independent and creative life to their hearts' content and that they are vigorously struggling and advancing, being optimistic about the future of socialism and communism and full of firm faith in victory.

The respected and beloved leader Comrade Kim Il-song has taught: Everything is being properly carried out in our country today and it will be also properly carried out in the future, too, because Comrade Kim Chong-il is outstandingly inheriting our revolutionary cause.

The dear leader Comrade Kim Chong-il's leadership is the great leadership to inherit and consummate the chuche revolutionary cause that the respected and beloved leader Comrade Kim Il-song pioneered and has led to the road of victory and glory. The chuche revolutionary cause, which the great leader started its historical beginning, is the popular masses' cause which is pioneered and developed under the banner of the chuche idea, and it is also a sacred cause to completely realize the popular masses' independence by building socialism, communism, through the embodiment of the chuche idea.

On the course of carrying out the chuche revolutionary cause under the wise leadership of the respected and beloved leader Comrade Kim Il-song, our people achieved the task of national liberation, brilliantly achieved the tasks of democratic revolution and socialist revolution in the northern half of the Republic after national liberation, and, thus, built the most superior socialist system of our own style there. In this way our revolution has reached a high stage, greeting a new revolutionary turning point.

The dear leader Comrade Kim Chong-il, with his insight into the mature demands of our developing revolution, developed and consummated the socialism of our own style which has embodied the chuche idea by expounding the program of modeling the entire society after the chuche idea and, thus, has provided the guiding principle to seek a high stage of communism.

As the dear comrade leader has elucidated, modeling the entire society after the chuche idea means to advance our revolution, using the great chuche idea as the only guiding principle, and to build and consummate socialism, communism on the basis of the chuche idea. In other words, it means to remold men, society, and nature in conformity with the demands of the chuche idea and, thus, to completely realize the popular masses' independence.

The program of modeling the entire society after the chuche idea extensively contains the most correct goal and direction of struggle for completely guaranteeing the popular masses' independence, as well as struggle policies and methods for their realization, by developing and consummating socialism of our own style and realizing communism at a high plane.

When we thoroughly uphold and implement the program of modeling the entire society after the chuche idea we can develop and consummate the socialist cause without the slightest deviation and vicissitudes under any difficult circumstances and conditions and successfully build communist society in which the popular masses' independence is completely realized.

The cause of including the entire society with one ideology can be achieved only by the great leader [suryong], the great leader [yongdoja] who created the revolutionary ideology and theory representing the times and who has produced brilliant revolutionary achievements by embodying the revolutionary ideology and theory through tested leadership.

Despite the difficult condition in which the imperialists and the traitors of socialism are intensifying the counterrevolutionary offensive, the dear leader Comrade Kim Chong-il always upheld the banner of the great chuche idea, put forth an original idea and theory to realize the program of modeling the entire society on the chuche idea, and has wisely led our people's struggle for their realization.

Above all, the dear leader Comrade Kim Chong-il put forth an original idea and theory to realize the program of modeling the entire society on the chuche idea, thus providing us with an ideological and theoretical guideline for us to advance the chuche socialist cause vigorously straight forward along the road of victory. His new elucidation of the essence of socialism and of the inevitability of its inheritance and completion is an important achievement he has made for the realization of the cause of modeling the entire society on the chuche idea.

The dear comrade leader gave a new elucidation that by embodying the chuche idea, socialism brings forth a society which is free from exploitation and oppression of man by man in which social equality is realized and in which the popular masses are tied in comradeship as common masters of state and society and enjoy independent and creative life suitable for the nature of the social human being. Based on his original proclamation that in socialist society where the popular masses are masters, ideology is of vital importance and the party's leadership is the lifeline for the victory of the cause of socialism, he clarified anew that the basic factor of the development of socialist society lies in the struggle of the popular masses united in comradeship with high self-awareness and capability as masters.

His elucidation of the new idea on the method of building socialism is one of the important achievements the dear comrade leader has built for the realization of the cause of modeling the entire society on the chuche idea. The dear comrade leader put forth the idea and theory on living in our own way and on highly exalting the Korean nation-first spirit, thus establishing an original method of carrying out party building and state building in our own way according to the chuche faith and will, developing politics, economy, and culture in our own way, and carrying out the revolution based on the Korean nation-first spirit.

That the dear comrade leader established the scientific theory on inheriting and completing the cause of socialism based on the revolutionary outlook on the leader is the most important achievement he made for the realization of the cause of modeling the entire society on the chuche idea. The dear comrade leader made a comprehensive compilation of the idea and theory on the inheritance and completion of the cause of the revolution into such demonstrative statements, as we should firmly maintain the purity of socialist ideology and correctly resolve the issue of leadership succession in order to fulfill the cause of socialism. To do this, we should build the party as a guide of socialist-communist society under a long-range program, realize its leadership firmly, and correctly inherit the tradition of the ideology and leadership achieved by the leader.

Thus, the dear leader Comrade Kim Chong-il gave a new comprehensive elucidation of the ideology and theory on the essence of socialist society and its inheritance and completion based on the principle and methodological theory of the chuche idea, the abundant experience of our country's building socialism, and the scientific analysis of the historical lesson in building socialism. By so doing, we could overcome the limitation of the previous socialist ideology and theory centered on materialism and establish a complete socialist ideology. At the same time, our socialism was turned firmly into the chuche socialism centered on popular masses, thus enabling us to advance vigorously along the single road of victory and glory. This is the most noble achievement the dear leader Comrade Kim Chong-il has made on the way to realize the cause of modeling the entire society on the chuche idea.

The dear leader Comrade Kim Chong-il also provided a strong political force and a guarantee of armed forces to realize the program of modeling the entire society on the chuche idea, so that the cause of our-style socialism could make a long drive taking advantage of victory unshaken in the face of any trial.

The dear comrade leader attached prior importance to building the party firmly organizationally and ideologically in leading the revolution and construction and put forth the revolutionary policy on modeling the entire party membership on the chuche idea; and, to realize this policy, he strengthened and developed our party into an invincible revolutionary party in which the uniformity of ideology and leadership is firmly ensured, in which the entire party membership is united as strong as iron, and which has taken root deep among the popular masses and formed a harmonious whole with the masses.

The dear comrade leader placed the unity and cohesion between the party and the people onto a high plane of wholehearted unity, and combined the entire society into one sociopolitical living organism in which the leader, the party, and the masses share their destiny. In this process, the main force of our revolution, the main force of the cause of our-style socialism, has been solidified as an indestructible force.

Based on his insight into the important significance of the revolutionary armed forces in carrying out the cause of socialism, the dear comrade leader put forth the independent army building policy on modeling the entire army on the chuche idea, and strengthened and developed the People's Army to be one-a-match-for-a-hundred revolutionary armed forces well prepared politically, ideologically, and in terms of military technology. Hence, our people have come to have invincible revolutionary armed forces that can support with arms the cause of modeling the entire society on the chuche idea. Solidifying the main force of the revolution into an invincible force and providing strong revolutionary armed forces constitute a decisive factor that brings forth the victorious advance and ultimate completion of the cause of modeling the entire society on the chuche idea.

The dear leader Comrade Kim Chong-il defined the three revolutions—ideological, technological, and cultural—as a fundamental way to realize the modeling of the entire society on the chuche idea and wisely leads the struggle to implement it. By so doing, he successfully remakes nature, society, and people as demanded by the chuche idea. The dear comrade leader put forth the three revolutions—ideological, technological, and cultural—as a strategical line for socialist-communist building, and exercised his leadership so that the technological and cultural revolutions could be vigorously pushed forward with the ideological revolution given prior importance. He exercised his leadership so that the party's leadership role for the three revolutions would be intensified, so that the movement of winning the three revolutions red flag and the three revolutions teams movement would be vigorously conducted, so that the three revolutions would be turned firmly into a work of the masses themselves under a powerful leadership system. As a result of this, the entire society came to be filled with the chuche idea, with the socialist collectivist spirit and beautiful communist virtues prevailing in it. At the same time, our self-reliant socialist economy came to be accelerated on the high plane of chucheization, modernization, and scientization; the intellectualization of the entire society came to be in brilliant progress, and the socialist literature and art came to be in full resplendent bloom.

Thus, the dear leader Comrade Kim Chong-il brilliantly led the cause of modeling the entire society on the chuche idea, creating the history of great victory for our-style socialism, and brought forth an epochal upturn unprecedented in the nearly 5,000-year history of our nation.

It is the greatest honor and happiness for our people to uphold and follow the leadership of the dear leader Comrade Kim Chong-il—outstanding ideologist and theoretician with brilliant wisdom and great statesman and iron-willed brilliant commander with iron-will and tested leadership—at the head of the party, the revolution, and the revolutionary armed forces. Only victory and glory will shine in the future of our people who carry out the cause of modeling the entire society on the chuche idea under the leadership of the dear comrade leader. On this road, our socialist fatherland will grow and prosper forever.

Demand for Articles Made in Sinuiju Said Rising

SK2402042994 Pyongyang KCNA in English 0406 GMT 24 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Demands for commodities produced in Sinuiju are growing these days.

Especially, shoes, cosmetics and enamelware have won popularity on home and foreign markets.

The workers of the light industry there are making innovations in production in hearty response to the revolutionary economic strategy of the party. They overfulfilled the January assignments by two percent. And they are greeting significant February with a greater upswing in production.

Sinuiju, the border city and the capital of North Pyongan Province, is one of major light industrial cities of Korea.

The city has tens of modern factories under central or local management. They produce thousands of kinds of light industrial goods needed for the people's life.

The Sinuiju general chemical fibre mill, a grand self-reliant chemical fibre producer of the nation, supplies fibre to light industrial factories across the country.

The Sinuiju cosmetics factory produces large quantities of cream, aromatic powder, toilet soap, tooth paste and other high-class cosmetics containing Ginseng (Insam), a specialty of Korea.

The shoes produced in the city account for more than 20 percent of the nation's total.

The textile mill, the woollen mill and the knitting mill produce a half of the province's total.

The plastic daily necessities factory, the household articles factory, the garment factory and the pharmaceutical factory in the city are also well known nationwide.

Before the liberation of the nation, the city was a small commercial and consumer city with a backward textile industry and pulp and paper-making industry of a small scale.

The light industry of the city has made a rapid progress under the wise guidance of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

The total light industrial output value of the city is 76 times the 1944 figure before the liberation.

The light industry of the city relies on its own raw material base and light industrial machine production base.

Sinuiju University of light industry creditably discharges its mission as a training centre of light industrial technicians and a centre of scientific research.

'Joyful Days' of 'Happy' Farmers Described

SK2202230494 Pyongyang KCNA in English 1512 GMT 22 Feb 94

[Text] Pyongyang, February 22 (KCNA)—Many Korean farmers are vacationing at holiday homes. Happy looks of farmers in the holiday season can be seen at scenic places such as Songchon, Sakju, Soktamgugok and the Lake Sohung.

They are spending joyful days with colorful programs of cultural and emotional life, rest, visits to nearby historical sites and beauty spots and experience-swapping at well furnished rest homes, overwhelmed with gratitude for the ever-growing benefits granted them by the party and the state.

The party and the state show particular care for the farmers in charge of the granary of the country.

The state gave great financial and material aid to the farmers after the war to improve their deteriorated living. In 1966, it totally abolished the agricultural tax in kind to free them from the tax burden. Now the construction of modern houses, to say nothing of productive construction in the countryside, is done at the expense of the state. These houses are distributed to farmers free of charge.

With the enforcement of the social security system, the farmers, like the workers and office employees, enjoy additional benefits of different forms such as old-age pension, pension for the disabled and pension for the bereaved families. Village clinics were converted into hospitals, water and bus services were introduced into rural villages and the TV networks were broadened to cover the countryside long ago to leave little gap between farmers and urban dwellers in living conditions.

And the tasks of the rural technical revolution have been successfully promoted to remarkably diminish the differences between industrial and agricultural labor.

Before liberation the farmers went out to the fields in early morning and worked with their eyes fixed on the soil, pulling wooden ploughs and wielding worn-out hoes all day long, and came back home under the stars. But today they live in happiness, working, resting and enjoying a cultural life just as the workers do.

Number of Agro-Technicians Said Increasing

SK2302114394 Pyongyang KCNA in English 1015 GMT 23 Feb 94

[Text] Pyongyang, February 23 (KCNA)—Agro-technicians are trained in large numbers in the Democratic People's Republic of Korea.

The agricultural sector of Korea has hundreds of thousands of agro-technicians and experts. The average number of agronomists and assistant agronomists on each cooperative farm was above 60 in 1990.

Korea has dependable training centres of agro-technicians.

There are full-time universities of agriculture and colleges under the study-while-working system in provincial capitals and major agricultural zones.

Wonsan University of Agriculture is the first training centre of agro-technicians founded in Korea in the post-liberation days. The university situated in the east coastal city of Wonsan has tens of departments and chairs, an institute of agricultural science, a doctors' course, a combined practice station and all other facilities for education.

It has produced tens of thousands of competent agro-technicians and dispatched them to the agricultural sector including institutes.

It has achieved tangible successes in scientific researches into breeding of new high-yield species, cultivation of crops, animal husbandry, mechanization of agriculture, pomiculture, sericulture, plants of economic value, etc. Greatly contributing to the development of agriculture and the national economy of the country.

The university is affiliated to the unesco and develops educational, scientific and cultural exchanges with foreign countries.

Many foreign students study at the university.

Kim Che-won University in Haeju City, South Hwanghae Province, a bread basket on the west coast, also holds a big share in the training of agro-technicians.

The university has produced many agro-technicians through full-time education and correspondence course and solved many scientific and technical problems in applying the chuche method of farming.

Unjon College of Agriculture situated in the Unjon plain extending 40 kilometres on the west coast is under the system of correspondence course. The students of the college are mainly farmers in Unjon County.

Theoretical lectures are given and practice is done on farms.

The state has set up colleges for education through correspondence course in Chongsan-ri, Yonan, Anak and Kaepung counties and other major granaries in order to fulfil the tasks of the ideological, technical and cultural revolutions in the countryside set out in the theses on the socialist rural question published in February 1964.

The training centres have hundreds of local study groups, in which teachers visit the students to give them lectures.

South Korea

U.S.-DPRK 'Full Agreement' Not Reached

SK2402032094 Seoul YONHAP in English 0255 GMT 24 Feb 94

[Text] New York, Feb. 23 (YONHAP)—North Korea and the United States held another working-level contact in New York on Wednesday to discuss follow-up measures to Pyongyang's acceptance of nuclear inspections on March 1, but failed to reach full agreement.

Diplomatic sources in Washington said that Ho Chong, deputy chief of the North Korean Mission to the United

Nations, and Tom Hubbard, U.S. deputy assistant secretary of state for Asian and Pacific affairs, met somewhere other than the UN headquarters. The sources said the two sides could not agree on an exchange of special envoys between South and North Korea and other problems, adding that they would meet again on Friday.

It is highly likely that they will reach an agreement by Feb. 25 at the latest, given that the International Atomic Energy Agency [IAEA] strongly urged North Korea to issue visas for IAEA inspectors and that Pyongyang told Washington it would allow inspections from March 1, according to the sources.

The sources expected that North Korea would issue the visas as soon as an understanding was reached with the United States on the content of their written agreement.

"I expect that the inspection team will enter North Korea on Feb. 28," one source said.

Meanwhile, North Korea proposed to the United States at Wednesday's bilateral contact that it would allow nuclear inspections to ensure the continuity of nuclear safeguards from March 1 and that the two sides should agree on taking four simultaneous steps, a North Korean official in New York said. Shortly after Tuesday's contact with Washington, Han Song-yol, councilor at the North Korean Mission to the United Nations, told YONHAP in a telephone interview that the four simultaneous measures include joint announcement of the third round of high-level talks by Pyongyang and Washington.

The other three are Washington's suspension of this year's "Team Spirit," the joint U.S.-South Korean military exercise, North Korea's positive consideration of working-level contacts with South Korea if the South makes such a proposal, and North Korea's acceptance of IAEA nuclear inspections, Han said.

Han accompanied Ho Chong, deputy chief of the North Korean Mission to the United Nations, at the contact with U.S. officials including Hubbard and C. Kenneth Quinones, North Korea desk officer at the State Department.

U.S. officials have conditioned the third round of high-level talks on North Korea exchanging special envoys with the South, so the contact failed to reach agreement, according to Han.

"There is no change in our position that South and North Korea should exchange special envoys. But we oppose the U.S. intention to make the issue a precondition for the third round of high-level talks between Pyongyang and Washington," Han said. He added, "The U.S. side should be held responsible for the delay in issuing visas to the inspection team, because it is asking the unfair condition of an exchange of special envoys. But I think the nuclear inspections will progress well after all."

DPRK Reportedly To Allow IAEA Observers 1 Mar

SK2302143494 Seoul KBS-1 Radio Network in Korean 1400 GMT 23 Feb 94

[Report by Cha Man-sun from Vienna]

[Text] North Korea notified the U.S. side that it will allow the International Atomic Energy Agency's [IAEA] inspection team to enter North Korea from 1 March. At the U.S.-North Korea contact held on 22 February in New York, North Korea notified the U.S. side that it will allow the IAEA's inspection team to enter North Korea so that it can start inspections from 1 March.

Councillor Yun Ho-chin who is participating in the IAEA Board of Governor's meeting as the North Korean representative, said that because the United States put forth the practical implementation of the exchange of special envoys of the South-North as a condition, no agreement has been reached regarding this kind of schedule. He added that the entry of the inspection team can be delayed depending on the attitude of the United States.

IAEA Warns DPRK To Issue Visas to Team

SK2402025294 Seoul YONHAP in English 0235 GMT 24 Feb 94

[Text] Vienna, Feb. 24 (YONHAP)—The International Atomic Energy Agency [IAEA] urged North Korea to begin implementing its recent agreement to permit IAEA inspection of seven declared nuclear sites at the close of a board of governors' meeting here on Wednesday.

The UN nuclear watchdog warned that if Pyongyang fails to issue entry visas to IAEA inspectors by month's end, the director-general will call a special board meeting to discuss the issue.

North Korean Counselor Yun Ho-chin said his government had offered March 1 as the date for IAEA inspectors to arrive in Pyongyang at a working-level meeting with the United States in New York on Tuesday.

The IAEA's 35-member board of governors ended its first regular meeting of 1994 here amid concerns about North Korea's delay in issuing visas for IAEA inspectors, releasing a statement calling on Pyongyang to follow up on its decision to allow IAEA inspections, including issuing the visas.

Board Chairman Ronald Walker said it had asked Director-General Hans Blix to immediately convene an extraordinary board meeting "in the absence of satisfactory developments in connection with the inspection, notably if a firm, early date for the start of the inspection had not been settled by the end of this month."

A U.S. delegate said that in order for the third round of high-level U.S.-North Korea talks to take place, Pyongyang must meet all IAEA inspection requirements, adding that an extraordinary board meeting would likely resolve to turn over the issue to the UN Security Council.

Over 40 national delegates spoke during the two-day meeting, many of them criticizing North Korea for failing to issue visas to IAEA inspectors by the final day. The IAEA moved the North Korean issue from the first-day agenda to the second day, hoping that Pyongyang would issue the visas by then.

Not only the West but also pro-North Korea nations, such as Cuba and Syria, have charged Pyongyang with trying to resolve the nuclear issue outside the IAEA, linking the matter to improving relations with the United States, IAEA sources said.

Speaking at the meeting, North Korean delegate Yun warned that if the IAEA continued to apply "unreasonable pressure" on North Korea, it would invite "grave results, including cancellation of the decision to suspend withdrawal from the Nuclear Non-Proliferation Treaty." But Yun, disclosing his government had offered March 1 as the date for IAEA inspectors to arrive in Pyongyang at the meeting with the U.S. Government in New York on Tuesday, said visas would be issued on Thursday at the earliest, depending on the results of another North Korea-U.S. contact in New York on Wednesday.

Noting that Pyongyang must still negotiate the U.S. demand for an exchange of special envoys between North and South Korea as a condition for further high-level North Korea-U.S. talks, the North Korean delegate warned his government would reconsider its decision to accept IAEA inspections if a special IAEA board of governors meeting was held.

The meeting adopted a resolution urging North Korea to implement its Feb. 15 agreement to allow IAEA inspections of its declared nuclear facilities and meet all obligations of the nuclear safeguards pact, including permission to inspect undeclared nuclear sites.

Seoul Said To Offer Contact if DPRK Issues Visas

SK2402032394 Seoul YONHAP in English 0306 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—The South Korean Government will propose to North Korea that a working-level meeting be held on exchanging special envoys if Pyongyang issues visas to International Atomic Energy Agency (IAEA) inspectors on Friday.

The decision was made as Pyongyang expressed hope that Seoul would take the initiative in resuming inter-Korean dialogue at working-level meetings with the United States in New York on Wednesday and Thursday, informed sources said.

If North Korea and the United States reach agreement at their meeting on Friday, Prime Minister Yi Hoe-chang will call a high- level strategic meeting to prepare a telephone message to his North Korean counterpart offering to hold the fourth working-level meeting on exchanging special envoys.

The message under consideration is expected to call for a working-level contact on the southern side of the truce village of Panmunjom early next month.

In line with the working-level meeting, informed sources said, Seoul will reportedly announce suspension of the annual South Korea- U.S. military exercise "Team Spirit" provided that North Korea cooperates fully with International Atomic Energy Agency (IAEA) inspection activities and shows sincerity toward inter-Korean dialouge.

Pyongyang and Washington met again in New York on Thursday to continue discussions on follow-up measures to North Korea's acceptance of IAEA inspections.

The two are said to be near a compromise and may announce a set of agreements after meeting on Friday.

NYT Interviews President on Nuclear Issue

SK2402085794 Seoul YONHAP in English 0846 GMT 24 Feb 94

[Text] New York, Feb. 24 (YONHAP)—Sounding an unprecedentedly optimistic note, South Korean President Kim Yong-sam said on Wednesday he was "very sure that in the end North Korea will accept the nuclear inspections" demanded by the international community in an interview with THE NEW YORK TIMES [NYT]. Kim told TIMES reporter David Sanger at the Chongwadae presidential mansion in Seoul that he had received a mountain of information about the nuclear issue over the last few weeks. Based on this information, Korea's chief executive has concluded there is no clear evidence yet that North Korea possesses nuclear weapons.

He observed that it was a "wise opinion" for Washington to delay the deployment of Patriot missiles in South Korea, referring to testimony in Congress on Tuesday by Gen. John Shalikashvili, the chairman of the Joint Chiefs of Staff, who said the deployment was likely to be held up because it would provide the North Koreans with an excuse to derail the process of resolving the nuclear problem.

He defended Seoul's alleged frequent shifts from sounding hawkish to dovish on the North and corrected the description of "inconsistency" on its policy to "tactical flexibility". The basic strategy being pursued by Seoul and Washington—convincing the North that there are economic and political advantages to abandoning its nuclear weapons program—"is proving quite effective," Kim noted. "This is only the beginning of the solution to the problem," he said, adding that inter-Korean dialogue and completion of nuclear inspections, including the North's two undeclared sites, would be necessary before Pyongyang could begin to receive aid and investment.

The U.S. daily labeled Kim's comments as the most optimistic assessment yet of the nuclear issue and a sharp turnaround from just eight months ago, when he warned the United States against being "led" by North Korea and declared that "time is running out" as the Stalinist regime would be able to produce plutonium by early 1994 in large enough quantities to make nuclear weapons.

Kim appeared to be betting that his best strategy is to reward the North for the first glimmerings of flexibility, rather than immediately pressing for better access to its nuclear sites now that the communist country has started to finally come around on allowing the International Atomic Energy Agency (IAEA) to conduct inspections, the newspaper said. THE TIMES reported that Kim spoke expansively about the reforms his government has initiated to cure what he called "the Korean disease" since his inauguration a year ago. The military was "a club that only rewarded its own members," Kim said, explaining his removal of all generals involved in coups from the 1960s and 1980s. Using the legitimacy gained from having garnered 42 percent of the vote in a three-way election, Kim said he has steered the military back to its defense mission and away from politics, adding that military morale is high now.

The paper reported that Kim's critics, whose numbers are few, say his biggest failing is that his reform efforts have yet to trickle down through most layers of Korean society.

Commentary Cautions of U.S. Strategy on DPRK

SK2202114394 Seoul SEOUL SINMUN in Korean 22 Feb 94 p 5

[Commentary by Yi Chong-yon, editorial director of SEOUL SINMUN]

[Text] We could hear, in the early stage, sporadic reports on Washington's quite strong countermeasures to North Korea's irritating nuclear game [haek norum] of stalling for time by going in and out of the Nuclear Nonproliferation Treaty [NPT] for almost the past year.

The United States has made a strategic conclusion [chollyakchogin mamurirul chikko] by deciding to overlook the past, whether or not North Korea currently possesses nuclear weapons, and not to allow its additional production of nuclear weapons from now on. At the same time, it decided to deploy Patriot missiles to the U.S. forces stationed in the ROK. This seems to be the first-step countermeasure mapped out by Washington with no other particular idea.

I do not know whether the ROK's invariable principle on and concrete countermeasures to the North Korean nuclear game are what have already been tuned by the ROK and the United States, but I know from reports that Foreign Minister Han Sung-chu has successfully persuaded Washington to attempt a peaceful approach to the issue. North Korea, however, is a group that believes in a logic based on strength, and it only forces its negotiation partner not supported by strength to make endless concessions. We know this well through experience.

I am concerned about our easy-going attitude just like adjusting our neckties without recognizing that our trouser legs are getting wet in the rain dropping from the "imitation nuclear umbrella [yusa haek usan]" carried by North Korea as we are accustomed to the comfort of the protection under the large U.S. nuclear umbrella.

Regarding our government's position, Minister Han Sung-chu said in New York: "Our government does not care even if North Korea possesses nuclear weapons now. The nuclear weapons it possesses can be abolished [pyegi] or dismantled [haeche], like those of South Africa. Our government's negotiations with North Korea are not aimed at inquiring into the past, but will focus on North Korea's future intent." If North Korea had already been acquitted for its possession of nuclear weapons only by going in and out of the NPT over the issue regarding the method of inspection by the International Atomic Energy Agency [IAEA], without mentioning whether it possesses nuclear weapons or not, it would be needless to even predict if it is possible to abolish or dismantle North Korea's nuclear weapons in the future.

Minister Han's remarks that our government does not care about the past seem to be an iteration of the U.S. policy, not our government's own idea or countermeasure. The U.S. countermeasure is considered a strategic arrangement linked to its far-reaching scheme to pave the way for the 21st century, foreseeing the future of Northeast Asia. The United States never wants its influence upon the Korean peninsula, including North Korea, to be weakened, nor will it allow China, Russia, or Japan to hold sway over Northeast Asia. I think we need to seriously study [koryo] if it is the best strategy in the reality we face now to accept and follow this countermeasure based on the U.S. strategy.

Although it seems that the United States has put forward such countermeasures against North Korea on the assumption that either special inspection or simultaneous inspection of the North and South would not be easily carried out, it is possible for us—who are the party concerned to separately hold negotiations with North Korea—to be placed in a difficult position when we agree upon the proposal.

What is important here is, I think, that we need to carefully watch out the IAEA's attitude toward North Korea. The IAEA led by Director-General Hans Blix, who served as Swedish foreign minister, has adhered to its strong position that it would not make an exception of the nuclear inspections of North Korea in accordance with the basic principle that contributes to maintaining global peace, as well as to ensuring nuclear nonproliferation throughout the world. Also, it has raised an objection to the United States' attitude to be flexible in dealing with the North Korean nuclear issue in order to maintain its continual influence against North Korea and to keep the continuity of the Nuclear Nonproliferation Treaty, which will be terminated in 1995. North European member-countries—such as Norway and Sweden, including Director-General Hans Blix himself—have said that although the socialist ruling parties were in sympathy with North Korea at one time when they were in power, there were some points upon which they had doubts about North Korea because of its power system character, continuous tricks, and stickiness on the nuclear weapon program. They have also continued their consistent demands that North Korea abide by the IAEA's basic principles. France's L'ARMEMENT has carried an editorial saying that "we must not be optimistic about the future of the North Korean nuclear issue mainly because North Korea has accepted nuclear inspections, but rather be aware that the only resolute and consistent attitude is the very effective factor in maintaining peace on the Korean peninsula." Despite such editorials by the French paper, South Korea, which is directly threatened by North Korea, has been hesitant to resolve the nuclear issue. We wonder if the government has really a firm policy or consistent and basic principle to cope with the North Korean nuclear issue.

Considering the fact that North Korea's nuclear threat may be continuously offensive against us, we must take our action and, with it, make North Korea become aware that their nuclear weapon development will be an intolerable burden to them. Judging from the ongoing contacts between the ROK and the United States to deal with the North Korean nuclear issue or the ROK people's feeling against it, however, I don't think it is possible for the government to take any action against North Korea.

Under this reality, the ROK's dependency upon the United States cannot but be continuously deepened. The government must know, however, that there are some people who regard the United States as an unwelcome friendly country. We must pay attention to it.

Also, we must keep in our mind the fact that we can avoid making repeated mistakes only if we fully learn something from our history. We must not develop our demands into the senseless stickiness to the nuclear issue, but instead remember the fact that the agreements reached between the North and South have been so far kept in dead storage. Therefore, we can say that "there are only broken agreements between the North and South at present."

Government May Relax Business Travel To North

SK2102020694 Seoul YONHAP in English 0142 GMT 21 Feb 94

[Text] Seoul, Feb. 21 (YONHAP)—The government plans to ease restrictions on visits to North Korea by South Korean businessmen in view of recent developments in the North Korean nuclear issue, officials said Monday. The government would also relax regulations for South Korean businessmen wishing to set up pilot business ventures in North Korea if the nuclear problem was resolved, they said.

Seoul is studying a revision of its stance on inter-Korean economic cooperation to allow business contacts "when South-North dialogue makes significant progress." Until now, it had maintained it would allow inter-Korean business contacts only "when a breakthrough in the nuclear issue was found." The new government policy would represent a considerable relaxation on other preconditions that call for Pyongyang's return to the Nuclear Non- proliferation Treaty, acceptance of the International Atomic Energy Agency's [IAEA] ad hoc and special inspections, an inter-Korean agreement on simultaneous inspections of each other's nuclear facilities and reactivation of the South-North joint nuclear commission.

In addition, the government plans to relax conditions for South Korean businesses to establish small, pilot ventures in North Korea. Seoul had said it would only approve such ventures after the two Koreas conducted mutual inspections of their nuclear facilities and Pyongyang accepted special inspections by the IAEA.

The proposed changes are being contemplated to actively promote economic cooperation with Pyongyang while maintaining Seoul's original policy of linking inter-Korean economic cooperation with the nuclear issue. If the current government policy was maintained, it is possible that inter-Korean economic cooperation would be delayed considerably, one official said. "The government has decided to apply its economic cooperation policy flexibly while watching North Korea's attitude closely," he said, asking for anonymity.

The official stressed, however, that the government would not separate the economic and nuclear issues because South Korea was committed to going along with its allies on the nuclear problem. Overall economic cooperation with North Korea could be possible only after suspicions about North Korea's nuclear intentions were cleared up, he added.

Meeting To Guarantee Rights of Returnees Held

SK2102041594 Seoul YONHAP in English 0210 GMT 21 Feb 94

[Text] Tokyo, Feb. 21 (YONHAP)—Nearly 200 Koreans and Japanese formed a "gathering to guarantee the lives and human rights of Korean returnees to North Korea" here on Sunday. The gathering was held amid revelations that ethnic Korean returnees to North Korea from Japan under the Pyongyang Government's repatriation project have been oppressed by authorities.

It pledged to investigate the living conditions of the returnees and their Japanese wives and children, and to appeal to the Japanese parliament and the United Nations to ensure that North Korea does not violate their human rights.

At the meeting, professor of Tokyo University Haruhisa Ogawa was reading a message to declare its purpose when some youths, who appeared to be members of Chochongnyon, a pro-Pyongyang organization of Korean residents in Japan, shouted "we can not understand the name of the meeting," and "it is an intervention in (North Korea's) internal affairs."

The North Korean Red Cross and its Japanese counterpart agreed to arrange for Korean residents of Japan to return to North Korea beginning in 1959, and nearly 93,000 people had since returned to Pyongyang by the end of 1984. Among them, nearly 6,000 Japanese were included, mainly the wives of Korean men. Recently, however, there have been reports that some of the returnees who did not cooperate with Pyongyang were killed or went missing on suspicion they were spies.

Institute Reports Prospects for Changes in North

SK2402092094 Seoul CHUNGANG ILBO in Korean 24 Feb 94 p 5

[By Pak Ui-chun]

[Text] It has been estimated that North Korea will concentrate its efforts in improving or restoring relations with strong neighboring countries, such as Japan, China, and Russia, this year while giving top priority to improving its relations with the United States.

The Institute of Foreign Affairs and Security, headed by Pak Su-kil, analyzes this in a report entitled "Prospect of Changes in North Korea" released on 23 February, and it stresses: "We should strengthen the position of the reformist forces [kaehyok chihyangjok seryoktul] in North Korea so that they can attempt to make drastic changes [kwagamhan pyonhwa] and should cooperate and support North Korea in developing its independent system [chajujogin cheje palchone]."

Regarding the possibility of changes in North Korea, which adheres to "socialism of its own style," the report anticipates that North Korea will reform itself starting from superior offices, gradually and partially; will pursue the policy of protecting its system; will hardly reform itself starting from lower offices; will undergo changes after Kim Il-song dies; and will suffer internal disputes after Kim Il-song's death.

The report says, in particular, that North Korea will probably concentrate efforts to level the ground internally and externally for consolidating the system of succession by Kim Chong-il and expand strategies for developing its system by opening its economy within a restricted scope, while laying greater emphasis on its chuche-based independent economic policy.

The report anticipates: "Kim Chong-il will continuously take measures of treating the military preferentially in order to consolidate the ground of forces on his side, and will keep exporting weapons in secret to solve economic problems."

It also expects: While adhering to a confederal system, North Korea will inevitably give more weight to maintaining and developing its system than to the southward revolution because of a durable situation of international reconciliation and cooperation. It is highly possible that North Korea will seek reunification policies, considering South Korea to be a potential coexisting partner, rather than a target to overthrow.

The report analyses: North Korea, however, will regard South-North dialogue as a subordinate variable [chongsok pyonsu] of North Korean-U.S. dialogue. It may make rapid progress in South-North dialogue, if necessary, and will finally attempt the resumption of South-North high-level talks.

Accordingly, it is possible that North Korea will expand South-North human exchanges within a strategic scope to protect its system. For the time being, however, it is hard to expect home visits and exchanges of letters by separated families, sightseeing tours, and permanent stationing of correspondents because North Korea will not allow any exchange affecting its system.

With the prospect of changes in North Korea, the report advises the government to consider disseminating its plan to pursue peaceful coexistence with North Korea as a partner after the nuclear issue is resolved, inducing North Korea's opening up in a way of multilateral economic cooperation, helping North Korea participate in the Organization for Security and Cooperation in Asia-Pacific region, and strengthening ROK-U.S. cooperative relations so as to make North Korea have an active attitude toward South-North dialogue while negotiating with the United States on the establishment of diplomatic relations.

DPRK Said To Deny Reports on Loggers in Siberia

SK2402111594 Seoul YONHAP in English 1053 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—North Korea on Thursday denied as an "invented story" the recent report that more than 100 North Korean loggers in Siberia were wishing to come to South Korea. According to the NAEWOE press, a radio Pyongyang broadcast said it is just unthinkable that North Korean people try to defect to South Korea.

"Our people remain convinced that away from the bosom of the Republic, they cannot live even a moment and there is no rewarding future for themselves and their descendants," it said. The broadcast said this was clearly evidenced by the case of Yi In-mo and two people's constabulary unit soldiers who, after being rescued by South Korea in the sea, chose to return to the North last month. Yi In-mo was a self-styled North Korean war correspondent caught in the South during the Korean war as a guerrilla fighter, who was sent back to the North last year on humanitarian grounds after refusing to change allegiance. The radio said that the report about the loggers is a "wild rumor" invented by South Korean authorities in their attempt to "placate South Korean people's anti-government struggles and distract public attention."

A Seoul government official said over the weekend that hundreds of North Korean loggers escaped from Pyongyang-run logging yards in Siberia and more than 100 of them came in contact with South Korean missions in Russia for permission to come to South Korea. About 16,000 to 20,000 North Koreans are known to work at Siberian logging yards under harsh conditions.

Government To Propose Spreading Nuclear Technology

SK2402011094 Seoul THE KOREA HERALD in English 24 Feb 94 p 8

[Text] The government plans to propose to the United States that Korean and U.S. atomic energy corporations advance to China and Southeast Asian nations in consortia. Such consortia would have competitive advantages in Asia when they put to use Korea's knowhow in the fields of the construction and operation of nuclear power plants in combination with core technologies of U.S. corporations, the Ministry of Trade, Industry and Energy said yesterday.

Cooperation in nuclear energy in third countries will be one of the most important agenda items at a bilateral conference on energy and environment scheduled for tomorrow and Saturday, the ministry said.

Korea is self-reliant for 93 percent of technology required for the construction of nuclear power plant, the ministry said.

The Korean delegation headed by Kim Tae-kon, assistant minister for energy and resources, will also propose the import of energy-saving and recycling technology from the United States and the dispatch of energy experts to Korea, it said.

The United States will be represented by John Riggs, principal deputy assistant secretary for policy, planning and program evaluation at the Department of Energy.

Prime Minister on Adherence to GATT Accord

SK2302113794 Seoul YONHAP in English 1034 GMT 23 Feb 94

[Text] Seoul, Feb. 23 (YONHAP)—Prime Minister Yi Hoe-chang said on Wednesday that if other countries retract or scale down concessional items envisaged in the Uruguary Round (UR) accord, South Korea would consider taking a corresponding step.

Testifying at the National Assembly session, Yi said his government would submit a market opening schedule to the General Agreement on Tariffs and Trade (GATT) after taking into account the contents of similar schedules to be submitted by major countries like the United States, Japan and the European Union (EU).

He thus implied that South Korea may revise its original market opening plan depending on the outcome of the on-going U.S.-Japan trade talks.

The premier said that so far most other countries are withholding their market opening schedules. "This is due to their policy to cope with the outcome of the U.S.-Japan trade talks," Yi said.

Also speaking at the assembly floor, Agriculture, Forestry and Fisheries Minister Kim Yang-pae said that last year, South Korea recorded a deficit of about 5,040 million dollars in the trade of agricultural and fishery products.

He said exports amounted to some 2,750 million dollars and imports to 7,790 million dollars.

"We plan to boost farm and fishery goods exports by promoting, for instance, the shipment of large amounts of hog meat and Kimchi to the vast Japanese market," Kim said.

Market Opening Schedule To Reflect Japan, EU

SK2402010194 Seoul THE KOREA HERALD in English 24 Feb 94 pp 2, 9

[Text] Prime Minister Yi Hoe-chang said yesterday that if other countries retract or scale down agreements of the Uruguay Round accord, South Korea will consider taking a corresponding step. Yi also said the administration will submit a market opening schedule to GATT (General Agreement on Tariffs and Trade) after taking into account the contents of similar schedules to be submitted by major countries like the United States, Japan and the European Union (EU).

The premier was answering questions at the fourth-day of the National Assembly interpellation of the administration on economic matters. He implied that South Korea may revise its original market opening plan depending on the outcome of the ongoing U.S.-Japan trade talks. The premier said that so far most other countries are withholding their market opening schedules. "This is due to their policy to cope with the outcome of the U.S.-Japan trade talks," Yi said.

Also speaking on the Assembly floor, Agriculture Minister Kim Yang-pae said last year South Korea recorded a deficit of about $5,040 million in the trade of agricultural and fishery products.

In a heated session, five lawmakers who took the floor called for additional steps to promote agriculture, to support small companies and to deregulate business activities.

Rep. Kim Yong-chin of the main opposition Democratic Party (DP) asked whether the government intends to negotiate with GATT member nations again over the multilateral agreement to partially open the domestic rice market which was agreed in the Uruguay Round trade talks. He noted that the United States and Japan are planning to hold talks to readjust agreements on trade in the agricultural field while delaying submitting their plans to implement UR accords.

Kim demanded that the government invest more money in developing agriculture, charging that the 1.5 trillion won earmarked this year for restructuring the farming sector is far short of what is needed to implement government projects including farm mechanization.

Rep. Pak U-pyong said the Foreign Ministry should be expanded so that the ministry's function could include external trade affairs. He also suggested lowering interest rates to relieve manufacturing industries of financial burdens and contribute to strengthening their international competitiveness.

Rep. Pak Chong-hun of the DP suspected that there may be political motives behind the selection of the chief contractor for the second mobile telecommunication business.

"The government handed over the right to select the winner to the Federation of Korean Industries (FKI). But actually, the government had already decided to choose Kolon as the main contractor in a secretive manner," Pak insisted. He also called for the government to overhaul the current taxation system in order to relieve wage earners of their high tax burden. He contended that the tax system runs counter to the principle of equity by imposing a low tax levels on those living off unearned incomes.

O Chang-sop of the DLP said the nation's industries should be restructured so that the manufacturing sectors could be a key industry in achieving the nation's goal of boosting its competitive power.

"In addition, administrative regulation son economic activities should be eased," O said.

Finally, he called for the government to expand tax favors to private companies which have been eager to develop new technologies.

Institute Claims Farm Products Safer Than Imports

SK2402082194 Seoul YONHAP in English 0730 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—South Korean farm products contain fewer pesticides than imports and are thus much safer, according to the Rural Development Administration's Agricultural Chemicals Research Institute. Tests conducted on 840 samples of 11 farm products including rice, apples, strawberries, cucumbers and pears from 1990 to 1992 revealed that 55 percent of the samples contained farm chemicals in amounts below the permissible levels, the institute announced on Thursday. No organic chlorine-series chemicals causing chronic poisoning were found in the rice samples produced in 1990, while organic phosphorus- and carbamate-series chemicals, which are easily digested by the human body, were detected in amounts below the permissible levels.

In 1992, the U.S. Food and Drug Administration detected, in tests of 5,816 samples of grain, fruit and vegetables produced in the United States, chemicals in 36.8 percent of the samples, with the chemicals in 1.2 percent being in amounts above permissible levels.

The institute's director, Yi Kun-chong, said Korean agricultural products were healthy because of farmers' observance of standards for safe use of pesticides established in 1980. In Korea, no pesticides are applied to farm products after they are harvested, while some foreign countries use chemicals on their farm products after the harvest to prevent decomposition or keep them pest-free during storage or shipment for export. Yi said his institute would strive to develop safer agricultural chemicals for safer farm products.

Agreement With PRC on Preventing Double Taxation

SK2402115194 Seoul YONHAP in English 1007 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—South Korea and China have completely agreed on the conclusion of a bilateral double taxation prevention agreement, which was initialed in Beijing on Thursday. A Finance Ministry official said the agreement will be formally signed during President Kim Yong-sam's official visit to China toward the close of next month.

The agreement, consisting of 29 articles and a memorandum, will, among other things, allow South Korean industries active in China at least the same treatment as accorded to Chinese industries in terms of taxation. The agreement is expected to go into force late this year after being ratified by the National Assembly. The accord was initialed by Om Nak-yong, a Finance Ministry director, and Zhang Xanghai, deputy director of China's State Administration of Taxation, following their final-round negotiations since Feb. 20, the official said.

Group To Set Up International School in China

SK2402115494 Seoul YONHAP in English 1011 GMT 24 Feb 94

[Text] Beijing, Feb. 24 (YONHAP)—The Woosung business group, a leading business conglomerate of South Korea, will build and operate an international school here in Beijing. Woosung will set up an international school of elementary and secondary school courses in a joint venture with the Beijing Joint Agriculture, Industry and Commerce Corp., a public firm controlled by the Beijing municipality.

A basic agreement on the school project was signed by the two partners in a brief ceremony here on Thursday.

Ground is expected to be broken within the year for the construction of school facilities. Under the agreement, the two sides will equally invest 30 million dollars in the scheme. The school, capable of accommodating about 1,000 students, will be located at a 16,500-square-meter land in the Chaoyang Ward District in downtown Beijing. Choe Song-chin, vice group chairman, said here the two sides also agreed to build apartments, arcades and tennis courts around the school.

Telecommunications Pact Signed With Mexico

SK2402021994 Seoul YONHAP in English 0157 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—The trade imbalance, anti-dumping suits and import barriers were discussed at a South Korea-Mexico joint committee session in Mexico City this week, the first round since the North American Free Trade Agreement (NAFTA) took effect this year, the Foreign Ministry said Thursday. Mexican officials voiced concern over the growing trade imbalance in Seoul's favor and requested that South Korea lift restrictions on importing Mexican liquor, poultry and fruit, ministry officials said.

Seoul raised the issue of the growing number of anti-dumping investigations into Korean products in Mexico and asked for assurance that the probes be unbiased. It also brought up Mexican limits on quota imports and its customs tariffication system, naming them as trade barriers.

South Korea pressed Mexico to reach early conclusion of an investment protection accord to activate bilateral investment activities but the Mexicans reacted negatively, officials said.

The two countries initialed a telecommunications cooperation pact and agreed to hold talks in the near future while scheduling maritime negotiations for mid-March.

Firm To Advance Into Russian Telecommunications

SK2402080794 Seoul YONHAP in English 0722 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—Dacom Corp. will become the first Korean concern to participate in the local telecommunications business in Russia, Dacom officials said on Thursday. Dacom said that its subsidiary, Dacom International Corp., and Goldstar Information and Communications Ltd. will sign a contract with Russian firms to invest in "Nakhodka Free Economic Zone Telecommunications Co." on Friday in Seoul. Nakhodka City in Primoskiy Kray (maritime province) of Russia recently established the company to provide telecommunications service within the city.

Six Russian organizations including the Administrative Committee of Nakhodka Free Economic Zone, Nakhodka City and telecommunications and information agency of Primoskiy Kray will invest 2 million U.S. dollars while Dacom International and Goldstar plan to invest another 2 million dollars in the local telecommunications business. Dacom will pour about 1.8 million dollars and Goldstar 200,000 dollars into the joint venture. Nakhodka Free Economic Zone Telecommunications Co. will begin full operations in April and eventually expand its service to all areas of Primoskiy Kray, according to Dacom.

Governing Bodies Found To Misappropriate Funds

SK2402080594 Seoul YONHAP in English 0550 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—The Home Affairs Ministry, investigating misappropriation of charity funds by local autonomous governing bodies and central government agencies, disclosed Thursday that more of such cases exist than was previously known.

The Ministry said that many local autonomous governing bodies besides the six cities and counties in Kyonggi Province, in which misappropriation cases had already been revealed by the Board of Audit and Inspection (BAI), used charity funds contributed by the public for other purposes between 1991 and 1993. The BAI announced Tuesday that heads of central government agencies and local autonomous governing bodies had used charity funds intended for the poor as "confidential expenses" or for other reasons.

The Home Ministry has decided to begin a full-fledged investigation into 46 government agencies and local autonomous bodies in which the Board of Audit and Inspection has already exposed scandals. The Ministry is also studying ways to expand inspection by the BAI to include 275 local autonomous governing bodies, citing the principle of equity. It plans to rebuke public servants found guilty of committing irregularities and misappropriating charity funds who are uncovered by the BAI.

'Hanahoe' Generals Reportedly Asked 'To Leave'

SK2402021594 Seoul YONHAP in English 0153 GMT 24 Feb 94

[Text] Seoul, Feb. 14 (YONHAP)—Army generals belonging to "Hanahoe," a private club of some graduates of the Korea Military Academy with close links to Former Presidents Chon Tu-hwan and No Tae-u, and several top navy officers facing age-limit discharges late this year have reportedly been asked to leave voluntarily before the routine personnel changes in April.

Personnel officers from Navy Headquarters met up to seven officers with the rank of rear admiral and commodore, who face age-limit discharge in December, and asked if they would step down voluntarily in advance, navy sources said Thursday. The concerned rear admirals responded to the request with anger, labeling it "forced discharge," the sources said.

"The military personnel law sets the age limit of rear admirals at six years and says the age-in-grade of general officers can be extended for up to one year when their service is required," said one officer allegedly asked to leave.

"We cannot accept such a proposal that not only dampens military morale, but which is also against the status guarantee of professional soldiers," another officer said.

They reacted strongly to the move by navy authorities, saying they could be mistaken for the targets of a purge in connection with irregularities and thus would have difficulty finding another job.

In the army as well, some 10 senior generals belonging to Hanahoe, who were pushed into inactive posts or relieved of their duties early last year, have reportedly been asked to leave voluntarily because there are no available positions. Most are said to have taken a dim view of the request for "voluntary discharge" and demanded as a condition for their voluntary discharge that discrimination against field-grade-level members of Hanahoe be withdrawn.

Army and navy authorities said the request for early discharge was part of efforts to reduce the number of generals, whose ranks had expanded in the past administrations.

Some observers, however, point out that the move may do more harm than good to a military that has recently shown signs of recovering from earlier purges. The authorities said their meeting with the generals was part of procedures before April's appointments, adding they had just sounded out the generals on voluntary discharge and had no intention of forcing them out.

Companies Vie for Stake in Mobile Phone Project

FKI Chief Delays PRC Visit

SK2202084894 Seoul YONHAP in English 0737 GMT 22 Feb 94

[Text] Seoul, Feb. 22 (YONHAP)—The head of the Federation of Korean Industries (FKI), Choe Chong-hyon, has postponed plans to visit China this week, in his capacity as Sungkyong Group chairman, until the end of next month, apparently because selection of the controlling shareholder in the nation's second cellular phone company is not going well.

The Sunkyong Group announced on Tuesday that chairman Choe's planned visit to China from Feb. 24 to March 1 at the invitation of a Chinese oil-refining organization had been put off until the end of March because of problems with his itinerary.

The FKI has changed the dates for two leadership meetings on selection of the main shareholder of the second mobile telecommunications firm from Feb. 21 and 25 to Feb. 22 and 23, due to chairman Choe's plans to visit China.

Business sources said Choe probably postponed his visit because Pohang Iron and Steel Co. chairman Chong Myong-sik and Kolon Group chairman Yi Tong-chan had failed to agree on who should own the second cellular phone firm at a meeting on Sunday. Chong and Yi are vying for the phone business.

Choe made his decision on Monday.

FKI Chief Tries Mediation

SK2402060994 Seoul YONHAP in English 0538 GMT 24 Feb 94

[Text] Seoul, Feb. 24 (YONHAP)—The Federation of Korean Industries (FKI) board held a closed meeting Wednesday night at which Kim Sok-won, chairman of the Ssangyong Business Group, reported on his meetings with Chong Myong-sik and Yi Tong-chan, respective chairmen of Pohang Iron and Steel Co. [POSCO] and Kolon Group, which are vying to take the majority stake in the consortium for the second mobile telephone project, FKI Vice Chairman Cho Kyu- ha said Thursday.

Kim reportedly met with the two chairmen to hammer out an agreement between the uncompromising business groups in their fight for control of the lucrative business.

FKI was authorized by the Communications Ministry late last year to form a single consortium for the second cellular phone network by this month.

The cut-throat competition was narrowed down to consortiums led by POSCO and Kolon after FKI Chairman Choe Chong-hyon's Sunkyong Group dropped out of the race, aiming instead to become the major stockholder of Korea Mobile Telecom, a state-run monopoly that is to be privatized.

FKI will conduct a final screening and comparative study before announcing the majority stockholder and participating local and foreign companies on Feb. 28, Cho said.

Government, Businesses To Develop Semiconductors

SK2402005694 Seoul THE KOREA TIMES in English 24 Feb 94 p 9

[Text] A total of 50 billion won will be poured into the development of technology pertaining to semiconductor-manufacturing equipment over the next four years starting this year. Of the amount, the government will supply 20 billion won or 40 percent from the Basic Industrial Technology Development Fund. Chip makers such as Samsung, Goldstar and Hyundai will take part in the project along semiconductor equipment manufacturers. They will share costs for the development of technology with chip equipment makers and be obliged to purchase developed products. These steps are featured in a comprehensive plan to groom the semiconductor equipment industry disclosed by the Ministry of Trade, Industry and Energy.

Even though Korea has emerged as the second largest exporter of memory chips, the profitability of its semiconductor industry has rather dropped because of its heavy reliance on imports of chip manufacturing equipment.

At present, the localization ratio of semiconductor equipment stands at a mere 12 percent. According to the ministry, there are some 80 chip equipment makers across the country with their capital mostly less than 500 million won each. Because of their weak financial status, they are unable to invest in the development of new equipment. Making matters worse is their high costs for management and financing. Last year, their investment in R&D (research and development) projects accounted for 4 percent of their turnover, compared with the average 8 percent for semiconductor equipment makers in the United States and Japan.

Local production of chip equipment amounted to $14.5 million last year, a mere 12 percent of the $12 billion worth demand and a 1.7 percent of semiconductor production worth $851.2 billion. In terms of technology development, Korea is only able to manufacture simple semiconductor equipment used at research institutes, while the United States, Japan and other advanced countries enter the stage of mass-producing next generation products.

The ministry said that the expansion in chip equipment production can be covered by local demand because semiconductor makers are increasing their investment in 4M DRAM (dynamic random access memory) and 16M DRAM facilities. Their combined facility investment last year rose 81 percent over 1992 to 2,000 billion won and it is expected to reach 3,000 billion won this year.

If the four year-program is carried out as scheduled, local production of semiconductor equipment will amount to $750 million in 1997, the average 36 percent increase a year.

Brunei, Malaysia & Singapore

Malaysia

Police Chief Admits Difficulty in ASIS Probe

BK2402123694 Kuala Lumpur Voice of Malaysia in English 0600 GMT 24 Feb 94

[Text] The inspector general of police, Tan Sri Rahim Noor, has admitted that it is difficult for the police to obtain information on allegations that the opposition in Malaysia were receiving money from the Australian Secret Intelligence Service, ASIS. He said this was expected since no one would in his right mind admit being involved in espionage. He disclosed this to reporters after the breaking of fast at the Police Training Center in Kuala Lumpur last night. However, Tan Sri Rahim said police would continue with investigation into the allegations. Prime Minister Datuk Sri Dr. Mahathir Mohamed was also present at the function attended by some 1,000 police personnel of all ranks.

Front To Be Sabah 'Responsbile Opposition'

BK2302104394 Kuala Lumpur NEW STRAITS TIMES in English 22 Feb 94 p 3

[By Farush Khan]

[Text] Kuala Lumpur, Mon.—Datuk Sri Anwar Ibrahim said today today the Barisan Nasional [BN or National Front] will act as a very effective opposition in Sabah and will fight against all forms of deviation, abuse of power, and oppression. The deputy prime minister said that the BN would monitor every move of the Sabah Government to ensure there would be no malpractices and deviation.

"If there is any sign of victimisation of any ethnic group or community, we will fight all out," he told reporters after presenting books on Islam to 15 Muslim organisations at the Tabung Haji headquarters before the breaking of fast. Anwar, who is UMNO [United Malays National Organization] deputy president, said that the increase in the number of seats won by the BN in Sabah two days ago compared to those during the 1990 elections was clear proof that the BN strength in Sabah could not be belittled.

Thanking all the voters and workers who had supported the BN during the elections, Anwar said that he was moved by the strong support from the people in Sabah for UMNO. Anwar had spearheaded the BN's campaign in the elections. PBS [Parti Bersatu Sabah or Sabah United Party] won 25 seats to BN's 23 to secure a simple majority in the 48 seat State Legislative Assembly. "With this, the suggestion that certain leaders like Tun Mustapha would obstruct the emergence of UMNO was baseless," he said.

He said the results of the elections also showed that Muslims and the bumiputeras [indigeneous races] in Sabah rejected leaders who did not support the BN. "I would like to thank the people as in evaluating the results of the elections, it is clear that non-Muslim bumiputeras, Kadazan Christians from certain areas as well as the Chinese also gave their support to the BN," he added. He said the BN could not penetrate remote areas and the influence of the Kadazan Christians because of the propaganda and the strong enmity instilled in the people. "However, our early achievement proves that UMNO and BN have the support of part of the people of Sabah," he said.

He called on the Parti Bersatu Sabah Government to stop its divide-and-rule politics and concentrate on helping the poor who had been neglected.

Asked how the results would influence the BN role in Sabah, Anwar said that the BN achievement in the elections was extraordinary. "If the elections were held one or two weeks later, the results could have been different," he said. Asked whether he would describe the BN achievement in the elections as beyond expectation, Anwar said in any election, the BN would certainly want to win.

"Looking at the results in 1990 and those of 1994, it is extraordinary. It was the first time the BN was seen as having contested in the real sense of the word," he said.

Anwar later met Sabah BN representatives. They are scheduled to meet Prime Minister Datuk Sri Dr. Mahathir Mohamed tomorrow. At the meeting with Sabah BN Assemblymen at the Legend Hotel here, Anwar said that the Sabah BN would uphold the principles of democracy and not resort to the tactics adopted by former Sabah chief minister Tun Datu Mustapa Datu Harun in 1985. He said the BN would face PBS as a responsible opposition.

Twenty-two of the 23 assemblymen who won in the elections were present. Also present were Selangor Menteri Besar [Chief Minister] and UMNO Vice President Tan Sri Mohamed Mohamed Taib, Gaya MP Philip Yong, Tawau MP Geoffrey Yee, and Pensiangan MP Taimin Lumaing.

In his speech earlier, Anwar called on Islamic bodies and scholars to initiate the translation of more Islamic books of high quality into Bahasa Malaysia. He hoped to see at least 100 of such books translated in two years.

In Johor Baru, UMNO Vice President Tan Sri Muhyiddin Yassin said today the BN, particularly UMNO had scored a moral victory in the elections despite losing out narrowly to PBS. He said despite its infancy in Sabah, UMNO did better than expected.

Singapore

Finance Minister Announces 1994 Budget

BK2302153194 Singapore Singapore Broadcasting Corporation in English 1100 GMT 23 Feb 94

[Text] The finance minister, Dr. Richard Hu, today announced the budget, which includes one of tax rebates on personal income tax and the higher interest rates for CPF [Central Provident Fund] retirement and special accounts. Also additional rebates for service and conservancy and rental charges. For businesses, it is a mixed budget. The property tax will be reduced, but there will be an increase in employers' CPF rates and in the salary ceilings for the skill development fund levy.

Presenting his budget statement in Parliament, Dr. Hu said the better-than-expected growth last year yielded a healthy budget surplus. This strong fiscal position gives the government scope to pass part of the surplus back to the economy and to enhance the assets of citizens.

For individuals, [words indistinct] one of rebates of 5 percent on income tax for year of assessment 1994 and on top of the GST [Goods and Services Tax] rebates announced last year, there will be additional rebates on HDB [Housing and Development Board] service and conservancy charges and rentals. This will raise from [Singapore dollars] $40.50 to $76.50. The rebates will take effect from 1 April.

The government will also be paying a higher interest rate for savings in the CPF retirement and the special accounts. From 1 July next year, the rates will be one and one-quarter point above the normal CPF interest rates. Details will be announced by the labor minister later.

There also will be another share ownership corporate scheme to help Singaporeans build up CPF savings to buy shares in the next major privatization exercise two years from now. Every CPF member above 21 years will get $300 from the government. But the employer must contribute at least $750 during an 18-month qualifying period starting from the first of next month. There will be a prorated contribution for those who put in less than $750 and to help some taxpayers to enjoy (?proration) incentives and extension of the claim period. The claim period for the special and further tax rebates will be extended by two years to nine years. This will take effect from year of assessment 1994.

For companies, the property tax rates for industrial and commercial properties will be cut by 1 percent each point to 15 percent from 1 July. The intention is to allow the rates in stages to 12 percent over the next 45 years. The cut also applies to residential property rented out. The concessionary tax rates for owned and occupied residential property will remain unchanged, and also there will be tax incentives to promote the growth of international derivative trading and arbitrage activities and trading of regional securities.

From assessment year 1995, the Asian Currency Unit—the ACU—and approved securities companies—ASC scheme—will be expanded to include foreign securities lending and borrowing. They will enjoy concessionary tax rates of 10 percent on income derived from lending and borrowing foreign securities with another ACU, ASC, or non-resident persons. The concession will also apply to income derived by approved fund managers who are arranging such transactions on behalf of foreign investors.

There will be no tax on securities lending fees, (?manifested) dividend, and interest paid by the ACU or ASC to a nonresident person who doesn't have a permanent establishment here. Also, no stamp duties on documents executed under sale and agreement in respect to such securities lending and the borrowing activities.

Dr. Hu also announced the 10-percent concessionary tax rates on income derived from stock and physical trading in silver and platinum with approved parties. And to promote Singapore as a regional securities trading and fund management center, transactions of ACU and ASC and non-Singapore dollar securities with approved fund managers will also get a 10-percent tax concession. But only transactions involving funds managed for foreign investors by such fund managers will qualify. These transactions will also be exempted from contract note stamp duties.

Also to be exempted from tax, income derived by ASC from approved syndicated offshore credit and underwriting facilities. The aim is to further enhance Singapore's position as a leading syndication center in Asia.

Dr. Hu also announced enhancement to foreign centers introduced to promote the development of the manufacturing and services sectors. It is to make it more attractive for companies to expand after the initial incentive period. The initial tax relief period for the expansion of established enterprises, expanding service companies and centers, export of services and warehousing, and servicing incentives is now five years or shorter. This will be extended to not more than 10 years. But, further extension would be allowed [words indistinct] not more than five years. This will be subject to a maximum relief of 20 years for incentives.

The minister also disclosed that to nullify the effects of GST, import duty on cars will be 41 percent from 1 April; duty on taxis 17 percent and on motorcycles 12 percent. Also to offset GST, excise duties on leaded and unleaded petrol will be cut. (?And) duties on kerosene, lubricating oil, liquified petroleum gas, and aviation (?fuel) will be suspended. To meet GATT requirements, import duties on cigarettes, tobacco, liquor, and motor vehicles will be converted to excise duties from 1 July, but the tax burden remains unchanged.

Dr. Hu also announced changes to the CPF contribution rates for employers and employees as well as on the salary ceilings for skill development levy. From 1 July, employers' CPF contribution will go up by 1.5 percentage point to 20 percent. That for employees will be reduced by the same amount to 20 percent. Dr. Hu said the government is making a final 1.5 percent point adjustment to the CPF contribution rates in view of the continued growth of the economy. He said employers and employees should take this adjustment into account in the wage negotiations.

On worker training, Dr. Hu told Parliament that skill development fund [SDF] in financial year 92 disbursed more than $50 million for training programs. This is much more than the $50 million collected through the skill development levy that year. Dr. Hu said at the present SDF disbursement level, the fund will eventually be depleted. The government has, therefore, decided to revise the salary ceilings for skill development levy collection from $750 to $1,000 from financial year 95. But the levy rate will remain at 1 percent.

He also announced more for edusave [education savings] and medifund [medical fund]. Dr. Hu said in good years it is essential we accumulate surpluses to save in time of crises and to secure investor confidence in our future. (?This) will also allow us to build up the assets of Singaporeans. In this regard, he said the financial year 93 edusave contribution will be increased to $1 billion. For financial year 94, another $500 million will be put into edusave and $100 million into medifund.

Dr. Hu also announced the setting up of the pension fund for public officers. He said it is a good health-keeping practice for the government to recognize pensions as a future liability and to provide for it. He said civil servants should not spend their retirement in fear that the government can't pay their pensions when times are bad.

The government's total expenditure in financial year 94 is expected to reach $16.7 billion, up 19 percent from financial year 93. As in previous years, social and community services will take the largest share at nearly 40 percent with more than half of it for education. The second largest share at 32 percent will be taken by national security, including defense and home affairs.

Dr. Hu said Singapore today is at a turning point. We have become a newly industrialized economy and are on the threshold of the first league of nations. But Singaporeans must not relax and take progress and prosperity for granted. The challenge is how to collectively manage to leap into the ranks of the first league.

The finance minister notes Singaporeans have achieved much in the last 20 years due to sound economic management by the government and the hard work of the people. These things must continue as we strive to gain promotion into the first league.

Concluding, Dr. Hu said the world economy is expected to perform better in 1994. The signs are optimistic. The U.S. economic expansion will remain strong. After last year's dismal performance, this year's outlook in Western Europe is comparatively brighter and Japan's is also expected to improve this year.

Dr. Hu noted that the expanding economies of Asia will lead the pack. Singapore can prosper and grow together with our neighbors anf trading partners if we remain competitive and productive. He is confident we can achieve if we continue to price diligence, assets, and enterprise above luck and quick gains.

Joint Naval Exercise With Indian Navy Begins

BK2402103594 Singapore THE STRAITS TIMES in English 24 Feb 94 p 18

[Text] Ships from the Indian Navy and the Republic of Singapore Navy (RSN) have begun a week-long naval exercise in the Indian Ocean. Two RSN missile corvettes and an Indian Navy submarine will take part in the exercise involving anti-submarine warfare manoeuvres. The exercise will continue until Sunday.

A Mindef [Ministry of Defense] statement issued on Tuesday said the exercise was designed to "promote professional interaction and to enhance bilateral ties between the two navies". About 350 officers and men from the two navies will take part in this second joint naval exercise. The first one was also held in the Indian Ocean in February last year. The two RSN missile corvettes, the RSS Victory and RSS Valour, left for the exercise on Friday. The commander of the RSN task group is Lt-Colonel Gary Lee, who is also commander of the RSN's 188 Squadron.

The two vessels arrived at Port Blair in the South Andaman Islands on Sunday and participants spent Sunday and Monday in familiarisation and shore training before sailing for the waters around the Andaman and Nicobar islands for the exercise.

The Mindef statement said the joint exercise between the RSN and the Indian Navy reflected the warm relationship between the two countries.

Cambodia

Chea Sim on Sihanouk Return, Force Against KR

BK2302144894 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 23 Feb 94

[Text] Samdech Chea Sim, acting head of state and chairman of the National Assembly of the Kingdom of Cambodia, cordially received His Excellency Georges Albert Wehry, ambassador of the Netherlands to Cambodia, at the office of the Cambodian People's Party this morning, 23 February.

Samdech Chea Sim sincerely thanked the Netherlands for granting humanitarian aid to Cambodia in the agricultural, health, and educational sectors and particularly for contributing to the Cambodian people's quest for peace. Concerning the Khmer Rouge [KR], he said that the royal government has made many concessions to reunify the nation and put an end to the war in Cambodia. However, because of their belligerent nature, the Khmer Rouge have not shown any desire for national reconciliation. They are bent on continuing the massacre and plunder of the people in the remote regions. Moreover, they have been using military forces against the Khmer Royal Armed Forces [KRAF].

Samdech Chea Sim stressed that if the Khmer Rouge keeps refusing to join the national reunification efforts, the royal government will be obliged to use military force to stop their savagery and protect the lives of the people. He also said that recently our KRAF have conducted sweep operations and succeeded in completely capturing the Anlung Veng camp from the Khmer Rouge.

Samdech Chea Sim went on to say that His Majesty King Norodom Sihanouk will return to Cambodia in April to join his subjects in celebrating the traditional Khmer New Year.

The Netherlands ambassador said he is delighted to visit Cambodia and to find that Cambodia is reunified and has a new legitimate government and parliament. The Netherlands Government will help contribute to the rehabilitation of Cambodia in the spirit of friendship and mutually beneficial cooperation, he said before stresssing that the Netherlands also sent its peacekeepers to Cambodia, but it is most regrettable that these peacekeepers failed to disarm the Khmer Rouge. He pledged that he would make every effort to continue on the good bilateral cooperation between the Netherlands and Cambodia to help promote Cambodia's agricultural, health, and educational sectors.

Hun Sen on Pressure on KR; Seeks Dutch Aid

BK2402044094 Phnom Penh National Radio of Cambodia Network in Cambodian 0200 GMT 24 Feb 94

[Text] Second Prime Minister Samdech Hun Sen told Mr. Georges Albert Wehry, ambassador of the Netherlands to Cambodia [name and title as heard], on the morning of 22 February that the current military campaign against the Khmer Rouge [KR] ordered by him and Prince Krompreah Norodom Ranariddh is not a solution to the problem, but pressure on the guerrillas to come to the negotiating table.

Answering a request from the Netherlands, Samdech Hun Sen said troop reduction cannot now be implemented in Cambodia because of three essential factors: First, the reduction can affect political problems; second, the royal government still needs Armed Forces for self-defense and to counterattack the KR, preventing them from further causing insecurity among the people; third, the government has not yet provided those troops with any skill or possibility to earn a living after the troop cut.

Samdech Hun Sen reaffirmed that only peaceful political means can solve the KR conflict, not military offensives. He also said that the security situation and the KR problem are not obstacles to the Netherlands' investment in Cambodia or the Netherlands' aid to the country. He urged investors to do business in Cambodia since the country abounds with manpower, and he called on the Netherlands to help promote Cambodia's agricultural sector.

Mr. Georges Albert Wehry informed Samdech Hun Sen that at present the Netherlands is exploring how it can help Cambodia and determine what its needs are. The Netherlands already granted $1.5 million in aid to Cambodia [words indistinct].

'Khmer Angkor Resistance Movement' Members Arrested

BK2302100094 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 23 Feb 94 pp 1, 2

[Text] Three more people belonging to a bogus armed unit closely connected with the "Khmer Angkor Resistance Movement" were arrested in Tuol Kouk Ward on the morning of 18 February in the wake of a mopping-up operation conducted recently in the O Bek K'am area.

So far, 51 armed people who trespassed on the people's land in the three districts of Phnom Penh and put up armed resistance against government security forces on the afternoon of 17 February have been arrested, along with some firearms.

A military police officer who took part in the campaign to crack down on anarchy said that the operation—conducted in an area of Sivatha Street, north of Phsa Depot Market, where the three culprits were arrested—could not be regarded as a success because an important person was able to escape. It has been learned that the man, who called himself Lieutenant General Men Samkol, was one of the ringleaders behind the illegal occupation of public land.

According to a reliable source, among the ringleaders, a man named Brigadier General Leng Serei claimed to be the commander of Division 015 of the Khmer Angkor Resistance Movement's national forces. It was also Leng Serei who lined his own pockets by issuing bogus titles to the illegally occupied plots of land.

The same source said that among the 51 people who were arrested, a man identified himself as Lt. Gen. Tep Phirum, a senior officer in the headquarters of the Khmer Angkor Resistance Movement's Division 015. It is not yet known where the bogus general was arrested. Tep Phirum also said that he is an officer in the Khmer Royal Armed Forces [KRAF] tank unit. The KRAF General Staff has confirmed, however, that the name of that person as well as the names of his accomplices were not in its records.

It was also said that these bogus armed units, which claimed to be part of the Khmer Angkor Resistance Movement and caused anarchy and fired on government security forces on the afternoon of 17 February, were not officially recognized by the Defense Ministry or the Royal Government.

Although the cause of the trespassing is not yet known, it is suspected that the groups intended to commit sabotage against the government. According to analysts, the strategically important area is located between the state radio station and Pochentong Airport.

A reliable source said the KRAF General Staff's Second Bureau is actively investigating in order to arrest the ringleaders of the armed groups.

It is worth recalling that the Khmer Angkor Resistance Movement has frequently been involved in deceitful troop recruitment activities in the recent past.

Information Official on Anlung Veng 'Mop Up'

BK2402074894 Phnom Penh National Radio of Cambodia Network in Cambodian 0400 GMT 24 Feb 94

[Text] His Excellency [H.E.] Sieng Lapresse, adviser to the minister of information and chief of the Information Ministry cabinet, gave a news conference on 23 February to national and international reporters on the military situation in the wake of the capture by the Khmer Royal Armed Forces [KRAF] of major Khmer Rouge bases at Anlung Veng and An Seh. He said the KRAF was continuing to mop up Khmer Rouge elements in areas 15 km around the Anlung Veng base and that the Armed Forces had seized 175 assorted firearms, 13 vehicles, 14 field radios, and two tanks of fuel.

H.E. Sieng Lapresse further said that at An Seh, the KRAF seized a significant quantity of war materiel, including 15 DK-75 shells, 30 70-mm shells, six APL shells, 30 hand grenades, and 574 cases of cartridges for AK rifles. He also disclosed that during the fighting the KRAF killed 28 Khmer Rouge soldiers, captured three, forced 26 others to surrender, and seized 246 guns.

Khmer Rouge Attacks in Kampot, Battambang

BK2402025094 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 23 Feb 94

[Text] Over 200 armed inhabitants at Don Taeuy village in Kampot District of Kampot Province cooperated with the National Army of Democratic Kampuchea [NADK] in attacking and destroying a battalion of the invading forces of the Vietnamese communist puppets and two-headed government, which intended to plunder the local residents' rice and cattle and fight off the national resistance forces, in an area south of the village at 0600 on 19 February. After 30 minutes of fighting, the invading troops were dispersed and forced to retreat. We killed five enemy soldiers and wounded 18 others; and we seized 15 AK rifles, three B-40 rocket launchers, a B-41 rocket launcher, a 60-mm mortar, a field radio, and some ammunition.

On the same day, the people and NADK attacked and routed Vietnamese communist puppet soldiers at the checkpoints on the stretch of Route 3 between L'ang and Phnum Thvea in Chhuk District. We destroyed two military tank trucks and killed two enemy soldiers and wounded five others.

The Vietnamese communist puppets and two-headed government on 11 February mustered and sent 300 soldiers from the 9th and 6th Regiments of the Province and District of Battambang and the 5th Military Region to plunder property of the residents living in a Democratic Kampuchea-controlled area east of Battambang. They attacked us from two Directions: The first was from Pralai Thmei to Ta Hen along the Stoeng Chas River and the second was from Khvang to (Rohai Chhak Tea). The people and NADK, however, ambushed, routed, and forced the invading forces to retreat. We killed five enemy soldiers and wounded eight others.

Philippines

President Repeals Oil Levy, Price Increase

BK2302125494 Quezon City PTV-4 Television Network in English 0712 GMT 23 Feb 94

[Weekly news conference by President Fidel Ramos with local and foreign correspondents at Malacanang Palace in Manila—live]

[Excerpts] [passage omitted] [Ramos] I have signed Executive Order [EO] No. 160 today, entitled: Reducing the Special Duties of Crude Oil and Oil Products Prescribed in Executive Order No. 115, Series of 1993.

Whereas, EO No. 115, dated 24 July 1993, was issued to raise much-needed revenues to finance government infrastructure projects and social services programs; and,

Whereas, the legislative and the executive departments have identified legislative and executive measures to replace the oil levy under EO No. 115.

Now, therefore, I, Fidel V. Ramos, president of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, and the authority granted to me under Section 401 of Presidential Decree No. 1464 as amended, do hereby order or ordain:

Section 1: Reduction of the special duty. The P [Philippine pesos] 1.90 special duty on imported crude oil falling under HS [expansion unknown] Heading No. 27.09, and the P2.00 special duty on imported oil products falling under HS Heading No. 27.10 and 27.11, prescribed under EO No. 115 Series of 1993 and listed in Annex A thereof, are hereby reduced by P0.95 and P1.00 per liter, respectively, effective 1 January 1994.

Section 2: Repealing clause. All executive orders, rules, and regulations inconsistent with this executive order are hereby modified, amended, or repealed accordingly.

This executive order shall take effect after 30 days following the completion of its publication in two national newspapers of general circulation.

Done in the city of Manila, this 23d day of February, in the year of our Lord, 1994. Signed Fidel V. Ramos, by the president, Teofisto Guingona, executive secretary.

In effect, this lifts the P1.00 levy. And my statement in connection with this decision is as follows:

I have decided today to lift the P1.00 oil levy effective 1 January 1994. I make this momentous decision in consideration of the plight of our people; their welfare has the top priority in our programs of government. But I also want to tell you that this decision challenges all of us to exert extraordinary individual and national effort to overcome our recurring resources problems for good. Progress and development have a cost to be paid. When the family budget for business is reduced, the business suffers before fresh funds come in to replenish—and so it is with our national development.

According to our best estimates, the lifting of the P1.00 levy will mean the delay of vital projects that could have generated 100,000 jobs, the deferment of the construction of some 5,000 schoolhouses, and the possible cancellation of some other vital infrastructure projects. But we can make do without the P1.00 levy as long as recurring alternative sources of revenue come in.

This decision also challenges us to strengthen our solidarity, for the real adversaries are poverty and injustice. And in the long run, what is paramount is that we lift the lives of our people so that they will have more job opportunities, better education, and a more healthful condition.

The seeds of increased unity have already been manifested in the wake of this urgency. We joined hands to address the problems of the day: The joint government-KRB [Kilusang Rollback—Rollback Movement] committee working together in a genuine spirit of harmony despite differences; the executive and the legislative dialoguing patiently; the House and the Senate cooperating to enact needed measures; the businessmen and basic sectors helping each other; the NGO's [nongovernmental organizations] and government working hand-in-hand. So, let us continue this spirit of teamwork as we fight poverty and rebuild our beloved Philippines.

Thank you very much, ladies and gentlemen. [passage omitted]

[Unidentified correspondent] By lifting, Sir, the P1.00 oil levy, does that mean that you have already chosen the recommendations of the joint committee as to what sourcing you will get the replacement for this oil levy?
[Ramos] Yes, actually, we did not adopt everything in toto because there were other inputs that were derived from our patient, almost day-to-day dialogues with the Senate and the House, as well as other inputs coming from the public at large, because we also entertained them. And as we work on the combination of inputs during the last three days, we came out with the solution.

Insofar as the joint recommendation of the joint committee—which was submitted by Secretary Guingona together with Senator Herrera, who are the joint co-chairpersons—the following items were inputted into the so-called alternative sources: The reduction by 5 percent in government maintenance, operating, and other expenses without impairing social services; the generation of revenues by executive action under the so-called alien legalization effort; the increase in the stock transaction tax; the increase in the annual registration of luxury vehicles and recreational vehicles and the like; a tariff on non-essential items, or so-called zero- tariff items; as well as the correction in the tax exemption of married couples.

These were among the common recommendations of various sources—including the joint government-KRB committee—and also arising out of our meetings with the Senate and the House.

[Unidentified correspondent] Will this be enough? The amount, Sir—will this be enough to cover the P10.5 billion?
[Ramos] As I mentioned in my statement, we can make do without the levy and recover some of the delays and setbacks in terms of still meeting the deadlines by the end of the year if the recurring alternative means will come in. That is why there are both executive actions which are one-time as well as recurrent and there are legislative measures that would ensure the recurrence of alternative sources of revenue.

I will not mention anymore the other one-time sources, because these were inputted in the consideration of the 1994 proposed budget, such as privatization.

[Unidentified correspondent] Thank you, Sir.

[Unidentified correspondent] Good afternoon, Mr. President. Now that you announced the lifting of the oil levy, does this mean that a permanent oil price rollback is certain already?
[Ramos] Yes, that comes automatically. We will go back to the previous price levels.

[Unidentified correspondent] And that is effective when, Sir?
[Ramos] Pardon?

[Unidentified correspondent] That is effective today?
[Ramos] Well, in other words, we go back to the levels of 28 January. Yeah, of course—effective right now.

[Unidentified correspondent] So, now that, uh...
[Ramos, interrupting] That there will be no second wave, as some were speculating. [Word indistinct] it is the lifting of the one peso levy.

[Unidentified correspondent] Sir, can you give us your reaction to the threats of militant labor groups who are

against the tax measures proposed by the joint committee? They still feel that this will burden the poor and still threaten to stage protest actions towards the end of the month and on 1 March.
[Ramos] The proposed tax measures are very progressive. For instance, the tax on luxury cars and the so-called affluent consumption. There's also one item I forgot to mention, because this came out of in a recent initiative, and this is the broadening of the value-added tax. Again, this is a progressive measure in that it is not intended to burden the lower classes.

[Unidentified correspondent] Okay. Thank you, Sir.
[Ramos] Now, on the aspect of militant groups wanting to demonstrate. I have been a demonstrator and rallyist myself during the EDSA [Epifanio de los Santos Avenue] revolution of 1986. So we can be comfortable with that, and we will know how to handle it peacefully. [passage omitted]

ABB To Renew Attacks If New Taxes Imposed

BK2402104594 Manila PHILIPPINE DAILY INQUIRER in English 20 Feb 94 pp 1, 11

[Text] Breakaway communist leaders yesterday warned that new attacks will be unleashed against strategic targets if the government imposed new taxes in place of the P1 [Philippine pesos] oil levy. In a statement sent to media offices, Sergio Romero, commanding officer of the Alex Boncayao Brigade [ABB], reiterated his group's threat to "renew attacks" if no "complete and unconditional" rollback is implemented.

"It is unjust for the Filipino people the Ramos administration's move to force the enactment of new taxes as a replacement for the removal of the oil levy," Romero's statement said. "We will renew attacks if the government disregards the people's demands," Romero added, but refused to elaborate what kind of attacks the breakaway leftist hit squad is planning.

The ABB, which broke off from the leadership of Communist Party of the Philippines [CPP] founder Jose Ma. Sison, had claimed responsibility for the 1 February bombings of the offices of Shell and Petron in Makati, and Caltex in Manila.

Two security guards of Petron were reported hurt in the bombings, which police said was carried out by four unidentified men using dynamites.

The government panel in a 14-man committee looking for alternatives to the levy has recommended new taxes to replace the levy which President Ramos imposed last September. But members of the Kilusang Rollback [KRB; Rollback Movement], a multi-sectoral coalition opposed to the price increase, rejected the proposed new taxes.

Leaders of the Freedom from Debt Coalition, one of the groups under the KRB, said the government could find alternatives to the levy without passing new taxes.

According to Romero, the collection of additional taxes is a scheme to circumvent the people's demands for a rollback of petroleum prices. Romero added that new taxes are a different form of oppression. He urged the Ramos administration to "stop blackmailing" the people, roll back oil prices unconditionally, and refrain from implementing measures that will only further burden the people.

The ABB had warned it will bomb more offices and assassinate officials of the government and the International Monetary Fund if prices were not rolled back permanently. But ABB leaders later said they were temporarily halting all armed operations while various people's organizations are protesting in the streets against the price increase.

In its statement, the ABB also criticized the government for allegedly spreading distorted news that linked the armed group to terrorist acts, like the rumored planned bombings of oil depots and other facilities in the Visayas, and the reported coordination between the leftist rebel group and the rightist Rebolusyonaryong Alyansang Makabansa [Revolutionary Nationalist Alliance]. "There is no other objective for these moves except to divide and divert the concentration of the widespread mass movement over the issue of oil and to smear our ranks," Romero said.

Police intelligence reports claimed communists in the Visayas planned to bomb power plants, oil depots, and other strategic targets in the region if the government again raised oil prices. Based on the report, the Philippine National Police placed all police units on alert in the entire Visayas. Police personnel were sent to guard places likely to be targets of the bombings. But the standing committee of the CPP Visayas Commission denied the report, saying it is a "blatant lie." Indio Pluma, spokesman of the CPP territorial commission, said the report was just a "black propaganda" against communist rebels in the Visayas.

Breakaway communist leaders also branded as a lie a report quoting an unnamed leader of the rightist military rebels as saying the Rebolusyonaryong Alyansang Makabansa provided a cache of explosives to the ABB in 1990.

Ramos Signs Memorandum on ASEAN Growth Area

BK2302063294 Quezon City Radio Filipinas in English 0230 GMT 23 Feb 94

[Text] Malacanang on Tuesday [22 February] set in motion action plans for the early implementation of the East Asean Growth Area, or EAGA. The EAGA is an original project initiated by the Philippines and vigorously pursued by President Ramos during his state visits to Indonesia and Malaysia, two members of the Association of Southeast Asian Nations, which have expressed keen interest, along with Brunei.

The president signed a memorandum circular which set in motion the policy of increased cooperation among the participating countries in trade, investments, telecommunications, and tourism. Executive Secretary Teofisto Guingona Jr. said that with this circular's issuance, senior economic officials of the four countries can now proceed with the signing of a memorandum of understanding to formalize EAGA establishment and define their participation in the project.

In the memorandum circular, President Ramos ordered the Departments of Foreign Affairs [DFA]; Trade and Industry; Transportation and Communications [DOTC]; Tourism; Agriculture and Environment and Natural Resources; National Economic and Development Authority; Coordinating Council for Philippine Assistance Program; and other concerned agencies to identify strategies and initiate programs to promote EAGA.

The DFA was directed to set specific guidelines for the exchange of delegations and visits between government agencies and local government delegations with their counterparts in the EAGA; coordinate with Congress for the formulation of guidelines in the exchange of parliamentary delegations; coordinate activities related to Philippine participation in the EAGA, particularly those with diplomatic implications. On the other hand, the DOTC was ordered to, among others, initiate a meeting of civil aviation and airline officials of the four participating countries to draw up the basic terms of reference for the proposed Borneo, Mindanao, Sulawesi transnational air service system; initiate a meeting of shipping and port officials of the four countries to study the feasibility of establishing regular passenger and cargo shipping services in the EAGA.

Thailand

Chuan Seeks Legal Action Against Lao Resistance

BK2302144394 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 23 Feb 94

[Text] The prime minister has instructed the Police Department to take legal action against the Lao National Liberation Army for operating on Thai territory.

Representatives of the Supreme Command Headquarters led by Lieutenant Chiradet Diphian, director of the Supreme Command Headquarters Intelligence Department, filed a lawsuit with Police Major General Wannarat Khotcharat, commander of the Police Crime Suppression Division, against General Vang Pao, General Thonglit Chokbengbun, and their colleagues for having set up outlaw organizations—the Lao National Liberation Front and the Lao National Liberation Army—in Thailand. The two organizations are responsible for acts of terrorism along the border with Laos in Phayao and Nan Provinces.

Police Major General Wannarat disclosed that the police director general had assigned him to appoint a working team to investigate this case. He said he is confident that the two accused will be brought to trial, although the military has reported that they are now living outside the country.

Meanwhile, Defense Minister General Wichit Sukmak reaffirmed that the Thai Government is always ready to cooperate with the Lao Government in the suppression of terrorism in Laos. He said:

[Begin Wichit recording] They are in Laos. Thailand is willing to cooperate with Laos. His Excellency Choummali, the Lao defense minister, and I are well acquainted with each other and are willing to cooperate. [end recording]

Army Chief Comments on Vang Pao, Arms Barter

BK2402123594 Bangkok Radio Thailand Network in Thai 0530 GMT 24 Feb 94

[Text] General Wimon Wongwanit, the Army commander-in-chief, granted an interview to reporters after presiding over activities marking the anniversary of the military intelligence unit this morning.

He discussed the fact that the director of the Army Intelligence Department filed a lawsuit against General Vang Pao, head of the Lao National Liberation Front. He said that, in essence, the Thai armed forces only want to officially record the charge regarding his illegal acts, so that it can be used as evidence if this man is arrested when he enters Thailand in the future. This is because a group of people has carried out activities along the Thai border and caused trouble for Thai people in the area. Their recruiting activities have created conflicts between Thailand and other friendly countries. They have also caused trouble for people in other countries by collecting money from Lao immigrants in the United States and claiming the money will be used to support Lao national liberation activities, using Thai territory. The Thai armed forces cannot allow this. As to whether any Thais have joined this movement, the Thai Army chief said he did not think so. However, some Hmong living along the border may have, he said.

On purchasing weapons from our trading partners by bartering Thai agricultural goods, Gen. Wimon said that an understanding has been reached by all parties concerned. Press reports, however, have indicated that the military does not understand the barter system. In fact, once a decision is made by the cabinet, it should be regarded as law. Therefore it must be practiced as long as clear explanations are provided regarding the amount of money required and methods to be followed. Then there would be no problems. Personally, he said, he agrees with anything that benefits poor people.

Debate Over Arms Barter Policy Continues

Navy Chief Welcomes Policy

BK2402015694 Bangkok BANGKOK POST in English 24 Feb 94 p 1

[Text] Navy Commander-in-Chief Adm Prachet Siridet yesterday welcomed the Government's arms-through-barter requirement saying the policy would greatly benefit the people and the country if effectively implemented.

Downplaying the previous military criticism that the requirement would hinder the armed forces' arms acquisition process, Adm Prachet said the requirement represented a new policy and it should be welcomed as it would be beneficial to the country. Adm Prachet said that soldiers in democratic societies had no choice but to respect and obey and the Government's policy. [sentence as published] "In the democratic system, government officials have to follow the Government's policy and soldiers have to know their exact role in the system," said Adm Prachet, who will retire in 1996.

The Navy commander said it was understandable that the Government's barter trade policy has caused confusion during its initial period. "Now the misunderstanding has been resolved. Initially, there are different views on the issue but now we have a clear understanding," explained the Navy commander. He said he was optimistic that problems would not occur during the implementation of the policy in acquiring arms. "There should be no problem," said the Navy commander.

He said under the government barter trade policy the armed forces had to separately submit their arms acquisition plans to the Cabinet for approval should it exceeded 1 billion baht.

Adm Prachet said he was optimistic that the Cabinet would give its final approval during its next meeting to the Navy's proposal to buy a new fleet of attacker A-7 Corsairs from the United States. He said the attacker was part of the Navy's development plan which would cost about 2,000 million baht.

Columnist Views Military Problems

BK2402103294 Bangkok THAI RAT in Thai 24 Feb 94 p 6

[From the "Lighting Rod" column: "Will the Military Cause Trouble Again?"]

[Excerpts] [passage omitted] The cabinet recently decided that from now on, every purchase of weapons for the armed forces will be made through "barter trade." In other words, we will trade our products, mostly agricultural goods, for weapons. Formerly, the armed forces were allowed to make purchases of weapons, planes, and military hardware through the Defense Ministry and government. [passage omitted]

As feedback from the military top brass, the commanders of the three armed forces voiced their discontent over this new policy during a meeting chaired by Supreme Commander Air Chief Marshal Woranat Aphichari. They said that the barter of crops for weapons will be a very complicated and time consuming process and the military have no expertise in trade. They also fear that the weapons or aircraft they receive from bartering with agricultural products will be costly and inapplicable to their requirements.

In short, the armed forces feel that they are being pressed by the government. Frankly speaking, if the military top brass or professional soldiers, who have so far been fairly quiet, react against the policy, some will accuse them of trying to rock the boat again. A few might think that politicians are creating conditions for certain objectives. Some even claim that this barter trade policy will also be applied to other big projects such as the elevated electric train system.

It is a fact that the armed forces need weapons and war equipment for national defense. However, they must also take the country's financial position into their consideration. They cannot go out and choose whatever they want as in the past. All military equipment is expensive. So they must make sure that the people's tax money is spent wisely.

I believe that leaders of the military units are "career soldiers." Their reaction, however, in connection with the arms barter policy does not look good at all. The fact is that they do not understand some details of the policy.

The government should be blamed for failing to clearly explain the policy to all concerned. This is Prime Minister Chuan Likphai's style, who always leaves something for others in the ministries concerned to tackle. Prime Minister Chuan should have clarified the new policy for everyone from the beginning. However, he passed the ball to Defense Minister General Wichit Sukmak. He is good at making all sorts of comments or criticisms against other people. Ironically, he said very little about this policy. It is possible that he himself does not quite understand it.

As a matter of fact, there is nothing difficult about this policy. For example, when a branch of service wants to buy weapons from a foreign country, it must first inform the government. The government will then review trade between Thailand and the country from which they wish to buy the weapons before holding negotiations to see if the country wants any agricultural products from us. We may even bargain to have them buy our crops. The point is that we get their weapons and at the same time sell them our goods.

However, it should not be implied that this barter policy will be used with small purchases worth two or three million baht.

The government failed to spell out all the details of the policy, while the military is frustrated in its attempt to get things clearly explained and understood. And reporters are accused of presenting inaccurate reports as if the military top brass and people in government circles could do no wrong.

Editorial on Lack of Coordination

BK2402103494 Bangkok MATICHON in Thai 24 Feb 94 p 2

[Text] Sympathy goes to Army Commander General Wimon Wongwanit, who said publicly that there was confusion in the government's policy of bartering agricultural products for foreign arms. He said soldiers are not businessmen and therefore do not have barter skills. The army commander's frank remark reflects a problem between the military and the government. That problem is lack of good coordination, which has created a gap of understanding and brought on reports about the military's anxiety over the government's policy.

Frankly, the cabinet's decision on arms barter is worthy of support. Apparently, there is flexibility in the policy's principle. It is unlikely that the policy requires that a billion baht worth of rice is to be bartered straight for an aircraft of the same value. It probably means that the government selling the plane should facilitate the purchase of our agricultural products.

A recent example comes to mind. The Air Force wants to buy Italian G-222 transport planes and the Italian side is coming here to pursue the matter. The government should inform the Air Force that Italy has enjoyed considerable trade surplus with us and has set a very high standard for import of agricultural products. This virtually negates any chance for any Thai imports. Now that the Air Force wants Italian planes, the Thai Government should be able to bargain with the Italian Government to open its market for Thai agricultural products.

This is a principle in negotiating arms barter. The issue is coordination between the government, comprising the officials concerned—the commerce, agriculture, foreign and defense ministers—and the military services. Therefore, the government should send its representatives to meet with the armed forces to explain the government's principle. The absence of such meeting has created an issue, as reflected in the remarks by the supreme commander and the army commander.

Coordination is important and the government must quickly bring it about. Without it there will be misunderstanding, as is in the case of the arms barter issue. The absence of coordination will lead to skepticism and confusion even in purchase of small amount of arms, such as whether barter is to be applied in purchase of artillery shells. A consultation will eliminate misunderstandings. The absence of coordination is what caused the military officials to express their skepticism.

Thai-Lao Committee To Rule on Bridge Disputes

BK2402084094 Bangkok THE NATION in English 24 Feb 94 p A4

[Text] Thailand and Laos have agreed to set up a joint committee to oversee jurisdiction problems on the Thai-Lao Mittraphap bridge, ending a year-long impasse over the issue which jeopardized the April opening of the first bridge across the Mekong river.

They also resolved to use the deepest point of the river to demarcate the international boundary on the bridge. The Thai-Laotian boundary on the bridge will thus continue to be the same line as the boundary in the river, as insisted by Thai negotiators. The agreement was reached yesterday at a meeting between Foreign Minister Prasong Sunsiri and his Laotian counterpart Somsavat Lengsavat. Somsavat had stopped over in Bangkok on his way to Europe for an official visit which will take him to France, Germany, Belgium, Switzerland and Russia. The setting up of the joint committee will be followed up when Somsavat returns from his European tour on March 10.

The committee will be in charge of ruling in disputes regardless of which side of the bridge they may have occurred. But the Thai side of the committee will take responsibility for incidents involving Thai nationals and vice versa. Problems involving nationals of other countries will be ruled jointly by the committee.

Both ministers yesterday also signed a Memorandum of Understanding (MoU) on the Development of Luang Prabang Airport. The MoU detailed a plan for the development and reconstruction of the airport which is expected to cost about Bt [baht] 50 million. The project will cover the construction of a passenger terminal building. The Department of Civil Aviation and the Ministry of Communications will start bidding procedures in order to select a suitable Thai construction company to undertake the work which is scheduled to begin in May and should be completed within 18 months.

Tour Agency Cites Unfair Treatment in Laos

BK2302131594 Bangkok PHUCHATKAN in Thai 23 Feb 94 p 6

[Text] Nakhon Phanom Province Governor Sucharit Patchimnan disclosed that he had received a letter from the United Tour Company about the difficulties and inconveniences it encountered in organizing a package tour to Thakhek Township in Khammouane Province, Laos. Sucharit said he had contacted Khammouane Province Governor Inpong Sai-gnavong for clarification on this issue.

The Thai-owned United Tour Company cited many inconveniences, including the collection of border passage fees by the Lao authorities and the intended monopolization of the tourism industry in the Lao province.

The governor of Nakhon Phanom Province said that the provincial authority, together with the provincial Tourism Office, are trying to solve the problem in such a way that relations between the two countries will not be affected. Laos is in the process of changing many policies, and new regulations might be adopted.

Phairot Prokkaeo, director of Nakhon Phanom Province's Tourism Office, said that this is the first complaint about unfair treatment of Thai tour agencies by the Lao authorities. His office is waiting for more information from the Lao side. The solution to the problem might require joint efforts by the governors of the two neighboring provinces. Considering the nature of the problem, there could be some misunderstanding between the United Tour Company and the Lao authorities.

A tourist industry source in Nakhon Phanom Province revealed that two tour agencies—namely Siphanom Tour and United Tour Companies—are operating in the province, while the governor of Khammouane Province plans to set up a provincial tour agency to be officially called the Khammouane Tourism Company. The two Thai companies will be required to maintain regular contact with the Lao company in sending tourists to Khammouane Province.

NSC Bans SRV Culture Show in Northeast

BK2402070494 Bangkok SIAM RAT in Thai 24 Feb 94 p 16

[Text] The National Security Council [NSC] has decided to ban a request by the Vietnamese to present a cultural exhibition in the northeastern region. It also set stringent measures for dealing with hundreds of thousands of illegal foreign workers. The NSC reasoned that Thailand and Vietnam do not have a cultural exchange agreement and felt that a cultural performance should be staged in the capital.

Ambassador: No SLORC Talks on Students

BK2402023494 Bangkok THE NATION in English 24 Feb 94 p A3

[Letter from Wirasak Futrakun, Thai Ambassador to Burma, published in the "Letters" section]

[Text] In the column, "Burma Notes", in your newspaper published Feb 5, in the section entitled, "Repatriation for students," it was stated that "The project (to repatriate the Burmese students) is said to be jointly worked out between powerful Slorc [State Law and Order Restoration Council] leader Lt Gen Khin Nyunt and the Thai diplomatic mission in Rangoon." In this connection, I wish to state categorically that there has never been any discussions about the Burmese students in Thailand between H.E. Lt Gen Khin Nyunt and me or any members of the Thai diplomatic mission in Yangon [Rangoon]. Furthermore, during the past two years since I have been the Thai Ambassador to the Union of Myanmar [Burma], no member of the Government of the Union of Myanmar has ever requested the Thai diplomatic mission in Yangon to do anything regarding the Myanmar students in Thailand. I, therefore, hope that any fantasies of collusion between the Myanmar Government and the Thai diplomatic mission in Yangon to repatriate the Myanmar students in Thailand back to Myanmar will finally be put to rest.

However, I wish to remind the Myanmar students in Thailand that their continued presence in Thailand has been due to the humanitarian consideration of the Thai Government. Verbal attacks against the Thai Government by them will sap the humanitarian reservoir of Thailand. So will their political actions in Thailand against the Government of the Union of Myanmar, of which they may question the legitimacy, but which is a member of the United Nations and is recognized by the Government of Thailand: I do hope that the Myanmar students in Thailand will spend their time as guests here in our country investing in themselves in acquiring knowledge that will be of practical use in developing their country when the time comes for them to decide on their own will to return to their homeland.

Cabinet Approves Plan for Radar Station

BK2402014694 Bangkok BANGKOK POST in English 23 Feb 94 p 1

[Text] The Air Force yesterday won Cabinet approval for its planned use of forest land in Phuket to build a radar station, but with a condition that it must strictly comply with a 10-point environmental measure.

Prime Minister Chuan Likphai defended himself against accusations that the Cabinet's agreement to the Air Force request was aimed at appeasing the top brass in the wake of sour government-military relations caused by his firm stand on the "arms-through-barter" policy. "This is a different issue," Prime Minister Chuan said. "It's a question of necessity. Moreover, the land requested for the radar station site has already been encroached upon for rubber cultivation."

Under the Cabinet decision, the Air Force will be able to use 27 rai of first-grade forest land in the Nak Koet Mountain Range in Katu District to build a radar station as part of its air surveillance system over the South. Prime Minister Chuan said the Cabinet's resolution to bar the use of first-grade forest land was still in force but the relaxation on the restriction was ordered for security reasons. The installation of the radar system would cost the Government thousands of millions of baht and the relaxation of the ban was made exclusively for security purposes, the premier added.

He said the Cabinet yesterday extensively debated the Air Force request, which was opposed by the Agriculture and Cooperatives Ministry and the Science, Technology and Environment Ministry which wanted to conserve the area for water catchment. The agriculture and science ministries as well as the National Environment

Board have closely looked into the Air Force proposal and have drawn up a set of measures which the Air Force agreed to comply with.

The Air Force had previously studied two alternate sites at Hat Yai and Samui island before choosing Phuket, taking into consideration the investment as well as maintenance aspects. Government Spokesman Aphisit Wetchachiwa said the Air Force, under the Cabinet's decision yesterday, would be allowed to cut a 2-km road into the site where the radar station would be located.

In using the spot, the Air Force must comply with the measure which requires that it:

—Avoid levelling the landscape for the construction work;
—Keep the road into the site as narrow as possible;
—Prepare measures to prevent soil erosion which may be caused by the construction work;
—Limit earth preparation work to the construction site. Dirt must be collected and properly disposed of;
—Strictly look after the forest in the vicinity to prevent encroachment and fire
—Plant trees to replace those to be cut down both in the construction site and the surrounding area;
—Provide for a waste water treatment system;
—Improve the landscape of the project site and the vicinity;
—Build fences and a drainage system in and around the project site; and
—Report on the progress in the implementation of all the measures to the science ministry every six months during the first three-year period.

Industry Minister Sanan Kachonprasat said the Cabinet agreed to approve the request after hearing a full explanation of the need for the facility. He also said the project would not cause damage to the national reserve as the chosen location was no longer forest land but had been used as a rubber plantation.

Maj-Gen Sanan also denied that the Cabinet had quickly approved the Air Force request to avoid further straining Government-military relations caused by last week's decision to reject the Air Force's request to forego a ruling requiring it to try negotiating with Italy to help buy some Thai farm goods in return for its plan to purchase six G222 transport planes.

Official on Rice Talks With Philippines

BK2302131694 Bangkok KRUNGTHEP THURAKIT in Thai 23 Feb 94 p 16

[Text] Deputy Commerce Minister Chaiyot Sasomsap has disclosed that he will go to the Philippines for negotiations with his Philippine counterpart on the sale of 400,000-500,000 tons of Thai rice to that country. The Philippines is expected to buy 200,000 tons of 25-percent broken rice and 300,000 tons of 35-percent broken rice from Thailand. The Philippines will ask for a four- month credit for the purchase of this rice. If the negotiations are successful, the private sector will be allowed to carry out this rice deal, because the government does not intend to interfere in rice exports.

Chaiyot revealed that even with the delivery of 150,000 tons of Philippine fertilizer, the Philippines still owes Thailand some 475 million baht. The National Rice Policy Committee, he said, is responsible for this debt and will decide whether or not the Philippines should pay compensation to Thailand in case debt repayment is delayed.

Asked about the proposal made by Deputy Prime Minister Amnuai Wirawan, chairman of the National Rice Policy Committee, for Thai investors to pay the money they intend to invest in the Philippines to the committee and withdraw the same amount from the Philippine Government, Chaiyot said the proposal is practical and there should not be any problem with it. The deputy minister noted that the committee will take care of the debt while the Commerce Ministry pursues its efforts to sell Thai rice.

Vietnam

Talks Resume To Settle U.S. Financial Claims

BK2402123994 Hanoi Voice of Vietnam Network in English 1000 GMT 24 Feb 94

[Text] Talks to settle outstanding financial claims from the Vietnam War days between Hanoi and Washington will be held on Monday. An American MP [as heard] estimates the claims total about $200 million, so Washington should work out proper measures to solve the issue.

At the forum,the two sides are to consider the establishment of liaison offices in each other's capital.

Washington has declared support for Vietnam's application to join ASEAN. Kristoff, director of the Asian Department of the National Security Council said the U.S. also supports the Cambodia's membership application for the association. She said it is time for the three Indochinese countries to joint the regional economy. The announcement was made three weeks after President Clinton's decision to lift the U.S. embargo on Vietnam.

Defendants Convicted, Sentenced in Trial

BK2302144094 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 23 Feb 94

[Text] The Criminal Court of the People's Supreme Court was in session—preliminary as well as final—in Hanoi from 17-23 February. The case involved roundabout dealings with 4,000 tons of steel intended for the construction of the north-south 500- kilovolt powerline. These dealings caused more than 3 billion dong in losses to the state budget.

Mr. Mai Ngoc Chinh, chief judge of the Criminal Court of the People's Supreme Court, presided over the court session. During its proceedings, the court heard Mr. Nguyen Tien Dam, a senior officer representing the People's Supreme Organ of Control, present a conviction report by the procurator of the Supreme People's Organ of Control against the following defendants:

1. Doan Trung Thanh, former director of the Vietnam-Poland Economic, Technological, and Cultural Development Support Services Corporation, called VINAPOL for contact purposes.
2. Doan Thi Huu Nghi, director of the VINAPOL Limited Corporation.
3. Former Energy Minister Vu Ngoc Hai, also known as Vu Hung Hai.
4. Deputy Energy Minister [title as heard] Le Liem.
5. Pham Dao Khanh, former deputy director of the Board of Management of the 500-kv powerline project.
6. Dinh Ngoc Dat, director of the Coal Import-Export and Materials Supply Corporation, called COALIMEX for contact purposes.
7. Nguyen Dinh Lam, deputy director of the COALIMEX Corporation.
8. Nguyen Duc Ai, director general of the Metal General Corporation, called VINAMETAL for contact purposes.
9. Nguyen Trong Sang, chief of VINAMETAL's Business Operations Office.

The court questioned the defendants and heard the views of the 11 defense lawyers.

This afternoon, after five days of work, Mr. Mai Ngoc Chinh, who presided over the court session, read the verdict of the trial council. The verdict thoroughly analyzed the developments in the case and the criminal activities involved as well as the seriousness of each defendant's crime. Finally, the trial council read the verdicts against the defendants as follows:

1. Doan Thi Huu Nghi: Five years in jail for illegal use of socialist property. The jail term begins as of 17 December 1992.
2. Doan Trung Thanh: Four years in jail for illegal use of socialist property. The jail term begins as of 13 December 1992.
3. Vu Ngoc Hai: Three years in jail for abuse of power while discharging his official duty.
4. Le Liem: One year of education without imprisonment for lacking responsibility in the exercise of authority and incurring serious losses.
5. Pham Dao Khanh: Two years in jail for lacking responsibility in the exercise of authority and incurring serious losses. The jail term begins on the date the court sentence takes effect, minus the period of temporary detention between 18 December 1992 and 4 September 1993.
6. Dinh Ngoc Dat: Three years in jail for deliberately attempting to act at variance with state economic management regulations and incurring serious losses.
7. Nguyen Dinh Lam: A two-year suspended jail sentence for deliberately attempting to act at variance with state economic management regulations and incurring serious losses. The probation period will last for three years, beginning 23 February 1994.
8. Nguyen Duc Ai: A three-year suspended jail sentence for deliberately attempting to act at variance with state economic management regulations and incurring serious losses. The probation period will last for four years, beginning 23 February 1994.
9. Nguyen Trong Sang: Two years in jail for deliberately attempting to act at variance with state economic management regulations and incurring serious losses. The jail term begins on the date the sentence takes effect, minus the period of temporary detention between 26 December 1992 and 4 September 1993.

The trial council also imposed additional sentences as follows:

—Dinh Ngoc Dat and Nguyen Trong Sang are prohibited from holding positions related to economic management by state agencies for a three-year period starting on the date their jail terms are completed.
—Nguyen Duc Ai is prohibited from holding positions related to economic management by state agencies for a three-year period starting on 23 February 1994.
—The sum of 3,383,842,200 dong—which has been held temporarily by the investigation committee—will be confiscated and turned over to state funds.

Defendants Doan Trung Thanh, Doan Thi Huu Nghi, Vu Ngoc Hai, Le Liem, Pham Dao Khanh, Dinh Ngoc Dat, Nguyen Dinh Lam, Nguyen Duc Ai, and Nguyen Trong Sang must pay 50,000 dong each in criminal legal proceeding fees.

Immediately after the conclusion of the court session, Pham Hung, chief judge of the Supreme People's Court, convened a news conference and answered a number of questions from journalists concerning this case. Comrade Pham Hung suggested that journalists give objective and accurate coverage to this public case in the mass media. Answering a question on whether the court trial was aimed at corrupt elements, the comrade chief judge of the People's Supreme Court said: This is not a corruption trial. The case, however, has taken place at a time when our party and state are launching an anticorruption campaign that aims not only at opposing theft and bribery, but also at achieving an important goal; namely, to struggle against wrongdoing, lack of responsibility, extravagance, and failure to act in accordance with one's duties and thereby incurring losses. All of these things must also be regarded as criminal activities. Therefore, we must take action against them.

National Assembly Delegation's PRC Activities

BK2302162494 Hanoi VNA in English 1532 GMT 23 Feb 94

[Text] Hanoi VNA Feb. 23—Chairman of the National Assembly Nong Duc Manh was received in Beijing this morning by Jiang Zemin, general secretary of the Chinese Communist Party Central Committee and president of China.

President Jiang Zemin highly valued the visit of the Vietnam's National Assembly delegation, considering it as a vivid manifestation of the development of the friendly and cooperative relations between the two countries.

Chairman Nong Duc Manh, for his part, stressed that the problems left behind by the history and newly emerging problems need the two countries negotiate to solve in the principle of equality, mutual respect for each other's sovereignty and interests. [sentence as received]

Chairman Nong Duc Manh [words indistinct] President Le Duc Anh and party General Secretary Do Muoi's invitation to President Jiang Zemin to pay an official visit to Vietnam, President Jiang Zemin accepted the invitation with pleasure.

In the previous day, Chairman of the National Assembly Nong Duc Manh was received by Qiao Shi, standing member of the Communist Party of China's Political Bureau and chairman of the Standing Committee of the National People's Congress of China.

Speaking to Mr. Qiao Shi, Mr. Nong Duc Manh said:

"Vietnam and China are neighbours, their history has gone through ups and downs, but friendship and peace are the main characters, in their national liberation cause, the two peoples shared their last crust, helped each other in each country's revolutionary cause. With the constant tradition, Vietnamese people always bear in mind and is grateful at the previous assistance of the Chinese people. Since the normalisation of the two countries' relations, the two parties and states ties have seen considerable development steps, meeting the deep aspiration of the two peoples and conforming to the fundamental and long-term interests of the two countries was well as the trend of peace and cooperation in the region and on the world. [no end quotation marks as received]

On this occasion, Chairman Nong Duc Manh invited a delegation of the National People's Congress of China led by Comrade Qiao Shi to Vietnam for an official friendship visit. Chairman Qiao Shi happily accepted the invitation.

Speaking to his guests, Chairman Qiao Shi expressed his belief that the exchange of visits between the two legislative bodies will contribute to further promote the relations between the two parties, states and peoples.

Later, Chairman Qiao Shi gave a banquet in honour of Chairman Nong Duc Manh and his party. [Words indistinct] delegation also had working sessions with relating commissions of the National People's Congress of China.

VNA Reports ASEAN Secretary General's Activities

BK2302155494 Hanoi VNA in English 1500 GMT 23 Feb 94

[Text] Hanoi VNA Feb. 23—Secretary General of the ASEAN organization Datuk Ajit Singh and his wife arrived here on Feb. 21 for a week-long official visit to Vietnam as guests of Foreign Minister Nguyen Manh Cam.

Mr. Datuk Ajit Singh was received here yesterday by Prime Minister Vo Van Kiet.

He held talks with Foreign Minister Nguyen Manh Cam. The two sides informed each other of the measures to promote the multi-sided cooperative relations between Vietnam and ASEAN in the spirit of the agreement reached by the two sides at the 26th ASEAN Foreign Ministers' Conference last July in Singapore. The ASEAN secretary general informed the Vietnamese chief diplomat of the ASEAN Standing Committee's decision to invite Vietnam to participate as observer in six professional cooperation committees and a number of cooperative projects of ASEAN in the fields of science, technology, culture, information, public health, environment, tourism and training. In order to increase information and mutual understanding, Mr. Datuk Ajit Singh added, ASEAN Secretariat will send its officials to Vietnam to exchange views with the Vietnamese side on concrete matters relating to ASEAN.

The ASEAN secretary general also exchanged views on Vietnam-ASEAN relations with representatives of various ministries, branches and research institutes.

Mr. Datuk Ajit Singh and his wife left here yesterday afternoon to visit Hue, Da Lat and Ho Chi Minh City.

Essay Denounces 'Peaceful Evolution' Strategy

BK2302111494 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 22 Feb 94

["Topical Talk" by station editor Vu Dinh Vinh]

[Text] Dear comrades and friends: Today we return to the question of peaceful evolution and the fight against it in our country. First, it should be recalled that the term 'peaceful evolution' came into existence in 1949 when it was first used by the Americans. The strategy has come to be a trick of imperialism aimed at eradicating socialism. Shrouded with a complex history, it has gone through many stages and has resorted to various essential tricks such as creating counterrevolutionary public opinion and mass media in the ideological domain, making inroads into people's cultural thinking, containing our economic growth, and nurturing reactionary forces they call democratic forces.

Peaceful evolution is nothing but a change in the format to conceal the reactionary nature of imperialism. This has been identified and summed up through the following:

—This strategy is conducted to gradually gain influence, defeat socialism, and stamp out the international revolutionary movement by peaceful means instead of violence.

—This war is being waged by soft means such as diplomatic, cultural, ideological, and political activities. Violence will only be used as a last resort.

—The war under the banner of peaceful evolution advocates using mainly direct forces, namely men and means of a rival country, to undermine the rival's internal ranks with outside support to cause a swift crumbing and disintegration. This format has caused the people to be mistaken about a change in the nature of imperialism.

—Basing itself mainly on social relations and on imperialist designs, the peaceful evolution strategy advocates using wise and sophisticated tricks to foment a tremendous self-destruction force from within a rival country in order to lead it to a comprehensive deterioration, internal anarchy, and finally a swift and quiet crumbing about which the imperialists will pretend to be innocent and uninvolved.

—The peaceful evolution strategy bears a global character. It does not have any time and space limits. The tempo and the process of this war develop very slowly. Although this war does not give any feeling of fierceness, the results it produces may be very great.

—The peaceful evolution strategy advocates building and using on-site political forces to set up its base and rally force from within the socialist regime for use as an inside force. In this strategy, the imperialists will play the role of external strike force. When the situation permits, they will resort to military force.

Dear comrades and friends: For Vietnam, imperialism and other hostile forces are using the peaceful evolution strategy against our country. With their clear-cut objects and strategies, they attach importance to the ideological and theoretical struggle aimed at eradicating Marxism-Leninism and Ho Chi Minh thought. This is one of their key spearhead moves aimed at infiltrating deep into and effecting a change within the internal ranks and the superstructure of the party and the socialist state; driving our national economy to stray off the socialist orbit course and undergo privatization and liberization in accordance with the market economy format of capitalism; rallying reactionaries from various religions and ethnic minority groups, taking advantage of superstition and divinity to incite the people to demand freedom and human rights in opposition to us.

In can be said that hostile forces have openly announced their design to carry out their peaceful evolution strategy against our country and our regime. Lately, the enemy has stepped up activities in various fields to achieve this. The intensity of this war is increasing while its scale has been expanded in various areas—political, ideological, economic, cultural, artistic, press, religious, racial, scientific, theoretical, and in terms of organizing personnel.

The enemy, with the use of many overt, semi-overt, and covert means, is trying to gradually legalize various activities and organizations while seeking ways to establish contact with our people and involve themselves further in sowing division among and undermining our internal ranks from within. Simultaneously, they are striving to rally local reactionary forces and linking these with outside reactionaries. They are resorting to political tricks while attempting to prepare armed rebellions for subversive purposes.

It is reported that on the cultural and ideological front, in 1993 the enemy and the reactionaries intensified their sabotage on a larger scale. According to incomplete statistics, there existed 17 more overseas reactionary organizations from among the exiled Vietnamese and an additional three Vietnamese-language radio stations, including Radio Free Asia, and 15 newspapers or magazines. In 1993 alone, they cooperated in launching four major propaganda campaigns against Vietnam in addition to many rallies and demonstrations in a number of countries. They brought to our country thousands of reactionary documents, of which 37 are new. Their activities consist of spreading slanderous charges and incendiary propaganda about democratic liberties, human rights, ethnic, and religious issues. They have distorted incidents in Thua Thien Hue, Ba Ria-Vung Tau, and Son La to sow division among the people. They have increased their efforts to split overseas Vietnamese, establish contact with and draw our overseas cadres, students, and workers, and called for the overthrow of the party and the socialist regime.

The enemy's mode of operations is open, brazen, sophisticated, and crafty. Its nature is increasingly dangerous. They are taking advantage of our party's renovation and open-door policy to carry out activities through cooperation, aid, investment. They have been carrying out clandestine activities under the guise of economic cooperation. They are upbeat in asking for the opening of cultural, scientific, and technological information centers and using various conferences and seminars to invite our cadres overseas to sign contracts and buy materials and technologies so as to propagate, influence, establish contact with, and bribe them. Certain enemy organizations also intend to restore old organizations to rally forces to be used as a springboard for sabotage activities launched from the outside.

Thus, while the revolution's central tasks of national construction and development are being busily carried out, the tasks of safeguarding the country, regime, and party have also developed in a very urgent manner. A number of incidents involving Vietnam that took place before Tet provided new proof by which our entire party, people, and army can clearly realize their situation and tasks and heighten their vigilance in the struggle against the enemy's schemes and tricks.

In 1994 and ensuing years, we must be more profoundly aware that the peaceful evolution strategy is an attempt by hostile forces to eradicate party rule and overthrow the socialist-oriented political regime in our country. This strategy is closely related to the dangers pointed out at the mid-term national party conference: The scourge of corruption and other social evils and being left further behind other countries in the region and the world economically; and the danger of straying from the socialist path if we fail to overcome irregularities in providing guidance on these issues. This is why we have to link the fight against peaceful evolution with efforts to overcome these dangers.

It can be said that there is a rather fierce ideological battle taking place between us and hostile forces as a result of the peaceful evolution war. For the time being, we should build and firmly consolidate our socialist ideological battleground if we want all of our party members and the masses to stand firm on the socialist path, Marxisim-Leninism, and Ho Chi Minh Thought; thoroughly understand the party's various viewpoints and its renovation policy; firmly maintain political stability; revamp the people's security network; strengthen universal national defense; and build a steadfast people's army.

It should be affirmed that it is the duty of every cadre and combatant and our people to smash peaceful evolution ideologically. To triumph in this tough and complex struggle, we must counter the enemy's attack with the results of our renovation process, with our theoretical research and development of Marxism-Leninism and Ho Chi Minh Thought, and with our efforts to build a fine lifestyle and ethical quality for ourselves as revolutionaries. We will strive to illuminate the legitimacy, clarity, and straightforwardness of the path toward socialism; our country's inevitable road as well as the law of evolution of history chosen for our nation with clear foresight by our party and Uncle Ho.

To counter the enemy's peaceful evolution schemes ideologically, armed forces units must always stress and satisfactorily maintain internal political security, fight against all of the enemy's psychological warfare schemes and tricks, intensify efforts to build clean and steadfast party organizations, and build comprehensively steadfast units. Greater attention must be paid to political and ideological training in view of this new situation so as to improve the political acumen of cadres and soldiers. We must equip them with the correct methodology so they can clearly differentiate nature from phenomena and right from wrong. Cadres and combatants will then have a clear idea of our friends and foes and of the complex socio-political issues now emerging at home and abroad.

Various units must formulate plans and measures to provide adequate, correct, and guided information on new developments in those fundamental issues related to the actual socio-political situation at home and abroad that are having an impact on their feelings and emotions, so they can cope with these things correctly. On this basis, they must struggle against the enemy's psychological warfare and efforts to sabotage us psychologically. Various units must also step up the movement to build a new cultural environment; they must struggle against unhealthy lifestyles, preserve our fine customs and traditions, and preserve and develop the character of Uncle Ho's troops in view of the new situation and tasks.

Other aspects of the fight against peaceful evolution are not without difficulties. They require us to develop immediate and long-term measures. These consist of: Satisfactorily motivating various strata of the masses—especially clergy, intellectuals, writers, artists, industrialists, and businessmen—to keep the enemy from using our means of transportation, post offices, printing houses, and the like for trouble-making and sabotage; consolidating mass organizations; building backbone forces for the political struggle; and paying attention to the tasks of protecting the party, organizations, and party cadres and members. Meanwhile, efforts must be made to detect and eradicate reactionary organizations promptly to maintain political stability, public order, and safety.

Dear comrades and friends, it is necessary to understand correctly the nature and fundamental features of the imperialists and the other hostile forces as well as their attempts to carry out their peaceful evolution strategy at the current complex juncture. If we heighten our vigilance and remain dynamic, sensitive, and able to counter the enemy unreservedly and promptly with our blows, the enemy will not be able to hold sway and attain the desired results. Meanwhile, we should not disregard the enemy's strategy. In 1994 and ensuring years, the fight against peaceful evolution is likely to become tougher and fiercer. This requires our entire party, people, and army to be more dynamic and determined to foil the enemy's malicious strategy and firmly preserve the ideal and the path we have chosen.

Phan Van Khai Assesses Banking Operations

BK2402100394 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 23 Feb 94

[Text] The Vietnam State Bank held a conference of governors of northern provinces' state banks and commercial banks in Hanoi yesterday. The purpose was to evaluate a drive to renovate banking inspection, control, and regulations over the past three years—1991-93—and to set forth tasks for 1994-95.

Over the past three years, banking inspection, control, and regulations have been gradually brought into in line with renovation of the banking sector, ranging from special inspection and control drives to long-range supervision and on-the-spot large-scale inspection of credit organizations. This has contributed positively to restoring order and discipline in banking operations.

Addressing the conference, Deputy Prime Minister Phan Van Khai commended the sector for its efforts last year to contain and dispel inflation and gradually increase the value of Vietnamese currency. The sector's credit operations have gradually provided good service to various economic components. Financial settlement work has shown progress, resulting in an end to the shortage of cash. Many banks have had a surplus.

The deputy prime minister also pointed out major tasks to be carried out by the sector in 1994, which consist of formulating measures to stabilize the value of the Vietnamese currency; stepping up the mobilization of capital among the people and of foreign capital for economic components; managing foreign currency more satisfactorily; and reducing negativism and inconveniences if the banking sector is to meet various capital demands of the national economy.

Phan Van Khai Satisfied With Japanese Aid

BK2402070894 Hanoi VNA in English 0606 GMT 24 Feb 94

[Text] Hanoi VNA Feb. 24—Vice Prime Minister Phan Van Khai received here yesterday Mr. Eisei Ito, vice minister of construction of Japan who is on a working visit to Vietnam.

Speaking to his guest, Vice Prime Minister Phan Van Khai expressed his satisfaction at the quick and fine development of the relations between Vietnam and Japan. Mr. Khai highly appreciated the official development aid (ODA) given by the Japanese Government to some Vietnamese key projects. He hailed the further promotion of cooperation between the two Construction Ministries.

For his part, Mr Ito expressed his pleasure at multifaceted achievements recorded by the Vietnamese people in the present period of renovation.

Mr. Ito wished that the cooperation between the two Construction Ministries would be further promoted and an exchange of personnel would be implemented.

Also present at the reception were Vietnamese Vice Minister of Construction Pham Sy Liem and Japanese Ambassador to Vietnam Hiroyuki Yushita.

Vo Van Kiet Receives Outgoing Indonesian Envoy

BK2302162594 Hanoi VNA in English 1524 GMT 23 Feb 94

[Text] Hanoi VNA Feb. 23—Prime Minister Vo Van Kiet received here today Indonesian Ambassador to Vietnam Mr. Juwana who paid him a farewell visit at the end of his term of office in Vietnam.

At the reception, Premier Vo Van Kiet and Ambassador Juwana expressed their joy at the encouraging development of the relations between the two countries in recent years in various fields, especially in commerce and investment.

Ambassador Juwana said that Indonesia would continue to do their best for further development of the bilateral relations which have been ushered in a new stage following the exchange of the visits of the two countries' leaders. He thanks Vietnamese Government and Premier Kiet for helping Indonesian businessmen in their cooperation with Vietnamese.

Prime Minister Vo Van Kiet hailed the Indonesian ambassador's contributions to the consolidation and promotion of the friendship and cooperation between Vietnam and Indonesia.

Foreign Embassies To Issue Visas Directly

BK2302155294 Hanoi VNA in English 1521 GMT 23 Feb 94

[Text] Hanoi VNA Feb. 23—As of February 15 this year foreign embassies in Vietnam are able to issue directly visas for Vietnamese people who go abroad to do official business.

The Consulate Department under the Ministry for Foreign Affairs will continue to be responsible for arranging visas for high-level party, National Assembly and government delegations which go abroad to do official business.

For other delegations and individuals after the issue of passports the Foreign Ministry will grant notes and introduction papers for specialized cadres of the offices and institutions in charge or representative of the delegation going abroad so that they come to foreign embassies to apply for a visa.

Growth in Household Economic Sector Viewed

BK2002083894 Hanoi VNA in English 0559 GMT 20 Feb 94

[Text] Hanoi VNA Feb. 20—VAC in Vietnam involves the household economic sector producing plants and animals from gardens and ponds in each family. VAC economy, which is known in Vietnam by three initials, V for orchard or garden, A for fish pond and C for live-stock breeding, appeared in the country where there remained agricultural cooperatives. The income of families from VAC economy then only made up 5-7 per cent of their total income.

Over the past recent 10 years, VAC economy developed rapidly with the move towards a market economy.

According to Mr Nguyen Ngoc Triu, special envoy of the prime minster and president of the Vietnam Gardeners' Association (Vacvina), more than 60 per cent of the farmer households' income is from VAC economy. He estimated this was worth about 10 million VND [Vietnam dong] per year each. The total income of 10 million households engaged in VAC economy throughout the country is about USD [U.S. dollars] 10 billion per year.

With the present development, VAC is a major part of the agriculture-forestry economy of Vietnam, contributing to the diversification of agricultural produce, creating a new strategy for agricultural and rural development.

Many households are doing farming, gardening or afforestation on tens or even hundreds of hectares of land. Those who are engaged in aquaculture have broadened their business to lakes, channels and even rivers, covering tens or hundreds of hectares. Others have set up snake farms, chicken farms, deer, cattle or pig farms.

Vacvina has taken part in a national programme of reclaiming 10 million hectares of waste land and bare hills to incrsease arable lands and create more jobs.

Under an agriculture promotion programme, the state and vacvina are helping households engaged in VAC economy in providing capital, technology, and products processing and marketing.

Many households have sucessfully developed VAC economy. Fifty thousand households in the Mekong River delta, for instance, have become rich thanks to VAC economy. Some of them are Vietnamese 'billionaires'. In Tien Giang Province, people work on 40,000 ha of gardens (or 20 percent of the province's cultivated land). Their VAC output value accounts more than 20 per cent of the province's total crop production. They have earned annually hundreds of billions of VND from selling plants and fruits.

In the coastal districts of Tien Hai and Thai Thuy, Thai Binh Province, people have invested big capital in reclaiming coastal marshes for production and earned hundreds of billion VND a year. They invested hundreds of billion VND in aquaculture, yielding from 100-150 million VND a year.

In the northern mountain province of Son La, about 2,600 households are engaged in fruit tree planting. Their income from fruits is a dozen times over rice and maize cultivation.

Particularly, more than 4,000 households of war veterans in central province of Quang Tri, the most impoverished land in the country, the farmers have earned between 15-40 million VND from VAC economy.

As VAC economy had helped in providing daily nutritious foods for aged people and children, UNICEF had decided to surport and provide vacvina with material assistance.

Australia

Evans: Russian Spying Not Considered 'Crisis'

LD2402101894 Melbourne Radio Australia in English 0900 GMT 24 Feb 94

[Text] The Australian Government says six Russian diplomats caught spying were allowed to leave Australia during the second half of last year. The foreign minister, Gareth Evans, said the Russian diplomats left between July and December. He said the spies had been discovered during an investigation by ASIO, the Australian Security Intelligence Organization. Senator Evans said the espionage did not constitute a security crisis of any kind or any significant rupture in relations with Russia.

[Begin Evans recording] The kind of role they might have had in the past is not one that's appropriate to the new Russia, after the end of the Cold War. And there has of course been a very significant downgrading of the Russian espionage establishment since the end of the Cold War, and I think there's still a diplomatic purging of that kind of presence in embassies around the world: Australia's been no exception. But I repeat, we don't want to make any kind of major issue of this with the Russian Government, they are very cooperative. Once it was drawn to their attention as a result of the ASIO investigation that some inappropriate activities were occurring, then the issue was responsibly and satisfactorily resolved. [end recording]

MP on Expelled Russians

BK2402094494 Melbourne Radio Australia in English 0630 GMT 24 Feb 94

[From the "International Report" program]

[Text] Concern about relations with Moscow is apparently behind an Australia Government decision to keep secret the fact that six Russian spies were ordered out of the country last year. Last June, a former Australian security officer was charged with spying for the Soviet Union.

The six Russians left the country over the next six months. Their expulsion was revealed in federal parliament by an opposition backbencher, Ken Aldred, who was responsible for revealing the presence of KGB special reserve officer, (Valeriy Zenskov), in Canberra in 1988. He told Fran Kelly Russian intelligence activities in Australia had increased to an extraordinary extent.

[Begin recording] [Aldred] It is a fact that they have built up, particularly to a peak last year, which ultimately led, of course, to the officers involved being asked to leave Australia. It appears to have three or four SVRR [Russian Foreign Intelligence Service] officers—foreign intelligence officers—and about two GRU [Russian military intelligence] officers—military intelligence officers—are also asked to leave Australia as a result of their activities here.

[Kelly] What are these people doing here? I mean, are they spying?

[Aldred] Oh, yes. There is absolutely no doubt about that. There is a bit of a myth abroad because the old Soviet Union has collapsed, that in fact the Russian Federation does not operate any intelligence activities or at least no intelligence activities of any great note. The fact is they do, and in a number of cases, they have actually increased those activities, and of course, nowadays, and this was true in the latter days of the KGB as well, those activities are being broadened up for purely military concerns to also cover the industrial, economic area, and in fact, a lot of Russian interest, in terms of the Western democracy, is in the high technology area the industry has and they want to acquire for the Russian Federation.

[Kelly] Having a look at trade secrets?

[Aldred] Yes, we are looking at industries, trade secrets, new inventions, high technology, that sort of things as well, as well as purely military concerns and such things as shipping movements of allied ships in the Pacific and so on.

[Kelly] Is it surprising, though, that this kind of activity would have increased since the end of the Cold War. I mean surely there is less need now, less reason, for East and West to be spying on each other.

[Aldred] That's an interesting point. Certainly communism has collapsed, as we are all aware, in Europe. The reality is the new Federation is developing very interesting imperial ambitions. And in fact, they are making major moves over the last year or two to increase their influence of control over a number of former republics of the Soviet Union, in particular, Ukraine, Georgia, Belarus, and the Soviet foreign minister, Mr. Kozyrev, is actually on record in January last as saying Russia continued or would continue to maintain a presence in the Baltic states. So, certainly, communism is gone, but Russian expansionism has not.

[Kelly] How do we know that this is true? How aware is the Australian Government?

[Aldred] I think the Australian Government is probably aware of much of what is going on, and the question that really has to be put to them is why did they cover up the expulsion or the request for these officers to leave last year and not come clean with the Australia, actually tell people what has been going on? The Americans have been very open about what has happened in Washington in the last 24 hours in relation to the charging of the CIA officer, and the request it had made to the Russians for certain Russian intelligence officers to now leave the United States. I think, though, the government here should have been just as open with the Australian people.

[Kelly] Is it not always the case, though, these kinds of incidents are kept pretty quiet?

[Aldred] No. No, it is not necessarily the case at all. Where actions had been taken in the past, whether it has been by the British Government, the German Government, New Zealand Government, the American Government, or whatever, they have always been very open in public about what they have done.

[Kelly] It has been reported that Foreign Minister Gareth Evans, when he communicated with the Russian authorities about the fact the expulsion was about to happen, wanted to... decided to keep the incident secret because he said he felt it could harm bilateral relations.

[Aldred] I don't think that is necessarily correct because if you go back to past events with the old Soviet Union, when action was taken by various Western democracies against officers of the old Soviet KGB when they are expelled in a number of cases, trade and commercial relations went on as normal. It doesn't necessarily affect those relationships at all.

[Kelly] Why did you decide to expose it in the parliament yesterday?

[Aldred] I thought that people needed to know that in fact that the Russian intelligence services were very active, that they are still a problem, that it is naive to think that is not a problem, and that the government should come clean exactly about what had been done. [end recording]